FBIS

DAILY REPORT

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MINISTRY DENIES PRESIDENTIAL SUMMIT BEING PLANNED

PY141304 Buenos Aires TELAM in Spanish 2137 GMT 13 Jan 86

[Text] Buenos Aires, 13 Jan (TELAM) -- Government House sources have stated that for the time being they have no information about a summit meeting between Argentine President Raul Alfonsin, Brazilian President Jose Sarney, and Uruguayan President Julio Maria Sanguinetti. After the appropriate consultations had been made, the sources stressed that at the top levels of the Foreign Ministry there is no knowledge of preparations being made for a meeting of Southern Cone presidents.

According to a report released this morning Argentina, Brazil, and Uruguay are purportedly preparing a presidential summit meeting to take place in February in Montevideo to discuss the region's foreign debt.

It has also been learned that Foreign Minister Dante Caputo, International Relations Secretary Jorge Sabato, and Latin American Affairs Under Secretary Raul Alconada Sempe have no knowledge of preparations for such a meeting.

90-DAY EXTENSION GRANTED ON FOREIGN DEBT PAYMENTS

PY141830 Buenos Aires DYN in Spanish 0216 GMT 14 Jan 86

[Text] Buenos Aires, 13 Jan (DYN) -- Economy Ministry sources today confirmed that the creditor banks committee for Argentina has granted a 90-day extension for payments on the foreign debt. This extension will end in the first quarter of 1986. Economic Policy Under Secretary Jose Luis Machinea, who is currently in Washington discussing the foreign debt, has informed the Economy Ministry of this extension, deferring until April the maturity of commitments not included in the package of foreign debt obligations refinanced last year.

The extension was apparently granted because the IMF has not disbursed the next installment of a $235-million "stand-by" [in English] credit as scheduled, on the grounds that Argentina has not fulfilled the economic goals agreed on for the last quarter of 1985.

The main reason for the presence of Machinea and other officials in the United States is to solve this problem by presenting supplementary data to confirm that the goals set for the Central Bank's quasi-fiscal deficit and for public expenditures -- which are the two points being questioned by the IMF experts -- have been met.

In addition, Machinea will try to lay the groundwork for the renegotiation of a new "stand-by" credit since the one presently in effect will end in March. This will also permit the start of negotiations with the international creditor banks to refinance the part of the debt that falls due in 1986 and, if possible, the parts that will fall due in 1987 and 1988. Most likely, only in April will the Argentine Government be able to conduct final renegotiations of its foreign debt, provided the IMF approves the new memorandum of understanding on economic guidelines to be adhered to until mid-1987.

PRESIDENT CONFIRMS BEDREGAL; CRISIS RESOLVED

PY142216 Madrid EFE in Spanish 2123 GMT 14 Jan 86

[Text] La Paz, 14 Jan (EFE) -- President Victor Paz Estenssoro today confirmed Planning Minister Guillermo Bedregal in his position. Earlier, Bedregal had tendered his resignation. The first Cabinet crisis since the new administration came to power in August 1985 has thus been resolved. Bedregal submitted his resignation over the weekend and confirmed his decision on 13 January, despite repeated denials by the executive branch.

The Bolivian superminister -- one of Bedregal's many nicknames -- who has been the driving force behind Bolivia's neoliberal economic model, resigned because of the need for changes in the executive branch and because the new economic policy must be modified if we want it to succeed, as he put it a few hours ago to justify his resignation. Paz Estenssoro confirmed Bedregal after a prolonged meeting, in which the 1986 general budget was approved. On announcing the presidential decision, Bedregal said: It is an honor that the president continues to have confidence in me.

Even though the Cabinet crisis was settled in less than 48 hours, unofficial sources have not ruled out the possibility of a major Cabinet shuffle in the next few days.

TROOPS ARREST MINEWORKERS EN ROUTE TO LA PAZ

PY141553 La Paz Cadena Panamericana in Spanish 1130 GMT 14 Jan 86

[Text] Mineworkers bound for La Paz are being detained by Army personnel. In fact, a priority communique issued yesterday by the Oruro Mineworkers Federation reports that personnel of the Calama Regiment from Oruro, using tanks and other vehicles, are stopping all vehicles bound for the city of La Paz and arresting all those identified as mineworkers. The communique concludes that the Oruro Mineworkers Federation will protest this action and ask that all detainees be set free, because otherwise the mineworkers' leaders will not be held responsible for the actions the rank and file may take.

BRIEFS

BUBONIC PLAGUE REPORTED -- Bubonic plague cases have been reported in northwest La Paz Department. Public Health Ministry sources have confirmed that a 2-year-old girl died of the disease. The case was reported on 9 January in the town of (Pucasucho), in the (Franz Tamayo) Province of La Paz Department. According to sources, the outbreak began along river banks and in areas with lush vegetation, where there are countless rats and ants, which transmit bubonic plague. Twelve additional cases were reported, while 40 people are under medical observation. [Text] [La Paz Cadena Panamericana in Spanish 1130 GMT 14 Jan 86 PY]

FOREIGN MINISTRY NOTE DENIES SAUDI ARMS SALES

PY150233 Sao Paulo FOLHA DE SAO PAULO in Portuguese 14 Jan 86 p 4

["Text" of official note released by the Brazilian Foreign Ministry in Brasilia on 13 January]

[Text] "On 12 January the press reported that large contracts for the supply of Brazilian arms to Saudi Arabia were allegedly signed in December 1985. Both the Saudi defense minister and the Saudi ambassador in Brasilia have already denied the alleged deal. The Brazilian Foreign Ministry has no knowledge of contracts allegedly signed in December.

"Also published on 12 January was a report that a Libyan mission would come to Brazil in February to discuss with Itamaraty the signing of contracts for the purchase of $1 billion in materiel. The Foreign Ministry has no information on either this visit or on the contract reportedly being negotiated."

GOVERNMENT NOT TO REPAY BANKRUPT BANKS' DEBTS

PY141755 Brasilia Domestic Service in Portuguese 2100 GMT 13 Jan 86

[Excerpt] Finance Minister Dilson Funaro is concerned about Brazil's food supply difficulties. Moreover, the minister, who today returned from the United States, said that the debts owed by the liquidated banks will not be repaid. Funaro, who traveled to the United States to meet with IMF officials, said the Brazilian Government will not repay the debts that the recently liquidated Auxiliar, Comind, and Maisonnave banks owe foreign banks.

[Begin Funaro recording] The situation remains exactly the same. We will pay what is owed to foreigners only if we also pay what is owed to Brazilians. Since we cannot do that, we will (?not do anything). We will just comply with our (?orders). [end recording]

The minister added that there are some indications that the inflation rate might decline in January. He also expressed deep concern over food supply levels, pointing out that this is the factor causing prices to rise and admitting that some sectors fear the effects of importing food.

ALL-BRAZILIAN ANTARCTIC EXPEDITION BEGINS

PY141956 Brasilia Domestic Service in Portuguese 2100 GMT 13 Jan 86

[Text] The Professor Bernard, an oceanographic ship owned by the University of Sao Paulo, will reach the Paranagua port area in northern Paranagua state at 1930. The ship left Santos port for the Antarctic Continent at 1130 carrying 23 crewmen, 17 scientists, and 5 tons of food and water. This is the first time Brazil has undertaken an Antarctic mission entirely by itself. All the specifications established by the International Scientific Committee for Antarctic Research have been complied with.

Studies on sea bottom fish and animal life will for the first time receive as much attention as krill research. Scientific research on krill will also continue. It has been reported that the ship will return to Santos on 12 March.

DEL VALLE ON KENNEDY VISIT, SPANISH DELEGATION

PY142148 Santiago Domestic Service in Spanish 1630 GMT 14 Jan 86

[Text] Foreign Minister Jaime del Valle has said that Senator Edward Kennedy's attitude has hurt everyone, especially the Chilean people. He added that lack of aid, which we should have received from the U.S. Government, caused the damage.

Regarding his refusal to meet with Senator Kennedy, Del Valle said that the U.S. senator has offended the Chilean Government. He indicated that Kennedy's visit is private, and the government has guaranteed him as much tranquility as possible.

Regarding statements by visiting members of the Spanish Parliament, Del Valle explained that his government has said repeatedly that Chile is moving toward full democracy.

[Begin Del Valle recording] If the government has maintained that the country is moving toward full democracy, it is because we do not have full democracy now. This is obvious. If we had full democracy, how could we talk about moving toward full democracy? We have an authoritarian government system which differs from a full democracy in some ways, such as (?the absence) of a congress. There are also some transitory articles of the Constitution, which will eventually be eliminated. This is why there is a difference. The government has never denied this. [Words indistinct] which the members of the Spanish Parliament discovered [words indistinct]. [end recording]

Del Valle said that the government has set precise and concrete goals to achieve full democracy and that these goals were established in the 1980 Constitution, which was approved by the majority of the Chilean people.

AD Leader Welcomes Visit

PY142238 Santiago Radio Chilena in Spanish 1630 GMT 14 Jan 86

[Text] Democratic Alliance [AD] President Armando Jaramillo has praised Senator Kennedy's upcoming visit to Chile and denounced the campaign that some political sectors have orchestrated against the U.S. senator during his stay in Chile. Jaramillo noted Senator Kennedy's struggle for human rights and his criticism of Latin American dictatorships. Jaramillo explained that progovernment sectors have orchestrated a campaign to harass the senator while he is in Chile.

[Begin Jaramillo recording] We would not be surprised if representatives or supporters of the dictatorship take advantage of Kennedy's visit to make chauvinistic proclamations in an attempt to identify their selfish interests with Chile and Chilean sovereignty. We cannot allow people to confuse our fatherland with the Pinochet dictatorship or to believe that an enemy of the dictatorship is also an enemy of Chile. The truth is that the Kennedy amendment suspended U.S. military aid to Chile and Argentina because of human rights violations committed by the governments of the two countries. This action served to strengthen peace in this continent. [end recording]

Jaramillo said that the attitude of those who seek to prevent Kennedy from visiting Chile is out of keeping with the traditional hospitality Chile gives to foreign visitors. Jaramillo added that, on behalf of the AD, he appreciates Kennedy's friendship.

[Begin recording] We will be happy to welcome Senator Kennedy, whom we consider a friend of Chile and the Chilean people, because he has faith in democracy and in our capacity to restore it. [end recording]

The AD president confirmed that AD leaders will meet with Kennedy at 1400 on 15 January.

SPANISH DELEGATION QUESTIONS 1980 CONSTITUTION

PY132138 Santiago Radio Chilena in Spanish 1600 GMT 13 Jan 86

[Excerpt] A Spanish parliamentary delegation has been in the country for 5 days, meeting with various sectors of Chilean society. The delegation is headed by Socialist Senator Ciriaco de Vicente, who this morning held a press conference to comment on the results of the visit.

Ciriaco de Vicente emphasized that the delegation is made up of members of various parties and that despite this fact a similar opinion was shared regarding the various issues discussed. He also said that the delegation and government officials disagreed on several political issues.

[Begin de Vicente recording] The first point of disagreement was about the meaning of the 1980 Chilean Constitution, which government officials believe is an instrument for the transition to democracy, but which I believe to be no such thing. The second point of contention centered on the violation of human rights: for example, the government's denial that problems exist; the restriction of freedom; the problems people have returning to the country; and the banishment of Chileans for exercising political and civil rights which are normal under any democratic concept. [end recording]

BRAZILIAN CONGRESSMEN ARRIVE FOR 1-WEEK VISIT

PY132100 Santiago Radio Chilena in Spanish 1630 GMT 13 Jan 86

[Relay from the Foreign Ministry by reporter Jose Francisco Contreras]

[Excerpt] A delegation of Brazilian congressmen arrived today at the Pudahuel airport. The delegation is here at the official invitation of the Chilean Government, which has extended similar invitations in the past.

The Foreign Ministry reported that this mission, made up of five deputies from both the ruling party and the opposition, has come to strengthen the existing ties of friendship between the two countries.

The politicians beginning a 1-week visit to Chile are Heraclito Fortes, Casio Coimbra, and Pedro Sampaio of the Brazilian Democratic Party, Antonio Mazurek of the Social Democratic Party, and Celso Amaral of the Brazilian Labor Party.

These congressmen will meet with the president of the Republic as well as with the interior and foreign relations ministers and other government officials. They will also visit the city of Vina del Mar.

RODOLFO SEGUEL TO REMAIN CTC PRESIDENT

PY132120 Santiago Radio Chilena in Spanish 1600 GMT 13 Jan 86

[Excerpt] The new leadership of the Chilean Confederation of Copper Workers [CTC] will meet at 1600 today to assign positions to the already elected 15 members of the CTC national council.

Rodolfo Seguel will remain CTC president according to a decision by the CTC congress this weekened in Rancagua. The 15 members of the national council who were elected by the regular CTC congress that concluded on 12 January held a long meeting this morning.

LATE REPORT: CROWDS BLOCKADE KENNEDY AT AIRPORT

PY151422 Paris AFP in Spanish 1358 GMT 15 Jan 86

[Text] Santiago, 15 Jan (AFP) -- U.S. Democratic Senator Edward Kennedy today was blocked within the international airport of Santiago, Chile, when a group of counterdemonstrators intercepted the car in which he was travelling to the downtown area of this capital. This was reported by individuals who witnessed the incident.

The counterdemonstrators, who support President Augusto Pinochet's military regime, parked their own cars on the access road to the airport and formed a barricade that prevented Kennedy and those accompanying him from continuing their trip.

The Democratic congressman, who is considered to be one of the greatest adversaries of the Chilean regime, plans to meet with opposition organizations that are promoting a return to democracy. However, he will not be received by any govenrment officials as he was in Argentina, Uruguay, and Brazil, where he began his South American tour seven days ago.

FARC WITHDRAWS PRESIDENTIAL CANDIDATE ARENAS

PA140315 Paris AFP in Spanish 1600 GMT 13 Jan 86

[TEXT[Bogota, 13 Jan (AFP) -- The communist guerrillas of the Revolutionary Armed Forces of Colombia (FARC) have withdrawn their presidential candidate for the 25 May elections, the spokesmen from this group announced today. The FARC withdrew the name of guerrilla ideologist Jacobo Arenas during a full assembly held last night in Bogota.

The FARC is the only Colombian guerrilla group still honoring a peace agreement with the conservative government of President Belisario Betancur, seeking to return to legal life in the country.

During the assembly of the FARC, now a member of the Patriotic Union (UP), the leaders invited several left-wing sectors to "find a candidate of democratic convergence." According to one of FRAC's spokesmen, the withdrawal of Arenas' name came because "his life is in danger." It has been reported that several FARC chiefs have been threatened with death. Those threats reportedly come from splinter groups such as the Ricardo Franco Front, whose commander Javier Delgado ordered the execution of 154 of his fighters in December because he believed they were Army "spies."

The full assembly proposed to FRAC's allies the names of Gustavo Osorio, a union leader, and Braulio Herrera, president of the National Guerrilla Coordinating Board, as Arenas' successors.

M-19 CHIEF CONDEMNS MURDERS BY FRANCO FRONT

PA140421 Paris AFP in Spanish 2126 GMT 13 Jan 86

[Text] Bogota, 13 Jan (AFP) -- M-19 [19 April Movement], the Colombian guerrilla organization, today accused the (communist) Ricardo Franco Front of being a gang of murderers following the admission of its commander, Javier Delgado, that he ordered the killing of 154 of its members.

In a clandestine communique sent to the news media, M-19 chief Alvar Fayad repudiated the killings and said that "one cannot judge anyone on the basis of torture."

Delgado, the chief of the communist guerrillas who boasted of the killing of 154 of his comrades said that he ordered the executions after confirming that they had been "infiltrated" by the regular Army, "which sought to put an end to our movement." Delgado also accused the M-19 leadership of being "homosexuals" and threatened to end economic support to the group, which caused an immediate crisis between the two subversive organizations.

"You are a bunch of murderers," said the M-19 chief, who rejected the use of torture by the Ricardo Franco Front to "discover" the possible spies, adding that a "tortured man will say anything."

"If victory is obtained at the price of blood and the corruption of the weapons, minds, and dreams of the revolutionaries, we don't want that victory, because it means the defeat of the revolution," Fayad said.

The police have found 35 mass graves with the bodies of 113 Franco Front guerrillas in the vicinity of Tacueyo and Corinto, in southwestern Cauca Department.

PAREJO DENIES EXTRADITION PROBLEMS AFTER SIEGE

PA110450 Paris AFP in Spanish 0340 GMT 11 Jan 86

[Text] Bogota, 10 Jan (AFP) -- Justice Minister Enrique Parejo denied today that "any of the persons under arrest subject to extradition are going to be released" because of the dossiers lost during the bloody guerrilla takeover of the Palace of Justice in Bogota last November.

According to a Presidential Palace communique, Parejo's announcement was made to counter remarks to this effect by a U.S. Embassy official in Bogota. The minister insisted, contrary to the diplomat's remarks, that there is no possibility of favoring the persons subject to extradition with a ruling issued within the economic emergency decree, which was ordered as a result of the destruction of the Palace of Justice and the catastrophe resulting from the eruption of the Nevado del Ruiz Volcano.

Parejo explained that there was only one request for extradition of persons arrested before the Supreme Court of Justice. Of a total of 13 persons charged, 12 had already received favorable rulings from the court, and therefore it was not necessary to reconstruct any cases, and extradition rulings had already been issued in most of the 13 cases, he emphasized.

An embassy official said there was a possibility that by virtue of the decree some of the Colombians wanted by U.S. authorities for narcotics trafficking and money "laundering" would be released.

The minister said that only one case of extradition of an arrested person would have to be reconstructed and that his office has already contacted the U.S. Embassy to send a new request in order to present it before the Supreme Court of Justice. In concluding, Parejo said that the case will be tried next week, so none of the arrested persons will be released, "at least not for that reason."

AUTHORITIES SEIZE 500 KG OF COCAINE IN BUS

PA131927 Hamburg DPA in Spanish 1937 GMT 13 Jan 86

[Text] Bogota, 13 Jan (DPA) -- Authorities confirmed today that an intelligence patrol of the Colombian Air Force (FAC) and police agents of La Dorada Municipality captured a bus transporting 500 kg of pure cocaine from Medellin to Bogota, which was going to be sent abroad. The alkaloid was hidden inside the bodywork of a bus of an inter-departmental line belonging to the "Swift Ochoa" firm. The vehicle was stopped when it was crossing the bridge over the Magdalene River, between Puerto Salgar and La Dorada. The authorities had to cut into the bus with an acetylene torch to get to the drug.

Brothers Oscar and Hernando Gomez, 32 and 36 years old, respectively, from Medellin, were arrested at the "Palanquero" Military Air Base. According to the authorities, the bus driver escaped. This is the largest cocaine seizure in that central region of the country. A month ago the police of La Dorada dismantled a cocaine processing laboratory in Victoria jurisdiction, to the east of Caldas Department.

FEBRES CORDERO ADDRESSES OAS, PRAISES BAKER PLAN

PA140410 Buenos Aires REUTER in Spanish 2120 GMT 13 Jan 86

[By David Hume]

[Excerpts] Washington, 13 Jan (REUTER) -- Ecuadoran President Leon Febres Cordero today urged the United States and Latin America to increase efforts so that a greater amount of capital will flow into the area and thus liberate trade in the area.

"The statistics on funds going to Latin America must show a positive flow of currency toward the hemisphere," Febres said before the OAS.

In a speech before the OAS during the first day of a state visit to the United States, Febres emphasized: "Latin America must see that [word indistinct] barriers in the industrialized countries for placing the modest range of production...."

Febres praised the so-called Baker Plan, a proposal presented by U.S. Secretary of Treasury James Baker, that seeks to increase the aid to the countries in debt that adopt measures to reorganize their economies.

The economic decisions adopted by Febres when he took over as Ecuadoran president 18 months ago were praised here by U.S. officials and multinational credit organizations. Today, Febres said that his point of view coincided with the Baker Plan.

"Ecuador considers this (Baker Plan) an encouraging promise, a qualitative change of position that entails the political advice of the U.S. Government concerning one of the most serious problems affecting Latin America," Febres said.

A high-ranking official of the U.S. State Department told reporters today at the White House that the United States feels Ecuador "is setting the example" for the countries with a large foreign debt.

However, during an interview he granted to the WASHINGTON TIMES on the plane going to Washington, Febres was reluctant about Ecuador being considered a model for the other Latin American countries.

"We do not wish to be considered as an example, but I think we are heading in the right direction," he said.

To this effect, Febres told the OAS that Ecuador's economic improvement was "the result of the austerity, balanced budgets, substantial adjustments in the exchange system, control over inflation, and having given those earning lower wages an improvement in their purchasing power greater than the inflation rate."

GARCIA STRESSES FRIENDLY RELATIONS WITH U.S.

PY141750 Lima Television Peruana in Spanish 0100 GMT 14 Jan 86

[Excerpts] President Alan Garcia has urged the inhabitants of La Libertad Department to join efforts for the development of the (Chadimochic) irrigation project, which will require Peruvian labor. The chief of state made this statement on his first work day in La Libertad Department.

[Begin relay from La Libertad] [Unidentified reporter] In the international field, an important Latin American analyst, when referring to what is known as the Alan Garcia phenomenon, took the liberty at the end of his article to say that the Peruvian president should change his attitude toward the U.S. Government. What do you have to say about this?

[Garcia] I believe it is quite normal that an analyst who is not well informed should have this type of concern. We have a friendly attitude toward the U.S. Government and people, with whom we have friendly relations. We admire the United States for its vast technological, cultural, and economic capacity, and for its geographical vastness. We have good U.S. friends. The day after tomorrow we are expecting the arrival of Senator Edward Kennedy, a brother of President John Kennedy, who will spend a few days with us. We will also be visited by Senator Bradley, the former head of a very important U.S. congressional committee. I have received a personal invitation from Atlanta University, through former President James Earl Carter, to speak before a group of international economists about our 10-percent theory, as it is called, which is unique in the world. [end relay]

SHINING PATH KILLS 8 CIVIL GUARDS IN ANCASH

PY112030 Paris AFP in Spanish 1645 GMT 11 Jan 86

[Excerpts] Lima, 11 Jan (AFP) -- Police sources today reported in Lima that eight civil guards were killed yesterday by a Shining Path terrorist group in the town of Ocros in Bolognesi Province, Ancash Department.

Despite the sketchy information provided by authorities, it is known that 15 terrorists, 2 of whom were women, staged a surprise attack on a police post in the district of Ocros, 160 km from Huaraz, capital of Ancash Department. They killed the eight policemen at the post.

A spokesman from the police support patrol that was sent to the site reported that the town's inhabitants, who were frightened by the attack and of a possible raid, had confined themselves to their homes. Many of the townspeople begged the police patrol to protect them because they did not feel safe.

The walls and floors of the police garrison were painted with slogans about the armed struggle.

The bodies of the policemen were found scattered on the ground and one of them wore pajamas, which indicates that they were attacked by surprise, the spokesman said.

Several hamlets in the same zone were also attacked recently, and looted. A judge, three teachers, and a woman were also killed in early January in this province.

Authorities in Lima, where public offices are closed on Saturdays, neither confirmed or denied the report, in keeping with the secrecy of the investigations.

Meanwhile, a military spokesman reported to a Lima newspaper correspondent in Huanta (Ayacucho) that the Army yesterday captured Jose Manuel Alvites Chapulin, one of the main Shining Path leaders, who is responsible for many murders and dynamite attacks.

The military spokesman said that Alvites had confessed to having murdered radio announcer Calliusca Rivera Ludena, 25, in Huanta, as well as her mother and one-year old son, by burning them with kerosene last September.

Ayacucho More Tranquil

PY141835 Madrid EFE in Spanish 0205 GMT 14 Jan 86

[Text] Lima, 13 Jan (EFE) -- While it is being asserted that the lifting of the state of emergency in Ayacucho, southern Peru, is imminent, the Maoist "Shining Path" subversive group has become more active in the north.

War Minister General Jorge Flores has said that the pacification process in Ayacucho Department, where the Shining Path was born, has made great progress and brought tranquillity to the inhabitants.

The minister said that if the situation remains as it is now, the state of emergency imposed in that department and some sectors of neighboring Apurimac and Huancavelica Departments will gradually be lifted.

The minister said that the following main issues will make possible the lifting of the state of emergency: First, the fact that there are already enough policemen to control the area while the Army withdraws to its barracks; second, if the evaluation of those provinces where the state of emergency has already been lifted and tranquillity prevails is positive.

General Torres said that the subversives have started to move to northern Peru after the blows sustained in Ayacucho and other areas in the south. However, the minister said said that there is still no reason to establish a state of emergency in the northern areas, where the terrorists have perpetrated several attacks.

Meanwhile, in Ocros, Ancash Department, the northern neighbor of Lima Department, a column of several tens of terrorists attacked the town and killed eight policemen. Although this information has not been confirmed officially, neither has it been denied.

Other reports state that on 10 January the Shining Path set fire to the Ocros Municipal Hall and the justice of peace's office, as well as looted stores. This information was supplied by persons who fled from Ocros to Barranca, in Lima Department.

It was also disclosed today that the terrorists have blown up two bridges over the Tablachoca River and destroyed three high tension pylons in Ancash. As a consequence, a large sector of the town of Chimbote, 470 km north of Lima, was left without electricity.

According to eyewitnesses, the terrorists who blew up the bridges came down from the mountains in two columns wearing ski masks and carrying submachine guns and pistols. They also carried explosive devices with which they blew up the bridges.

It was disclosed today that in Chiclayo, the capital of northern Lambayeque Department, the police discovered a Shining Path training camp in a neighborhood of the town.

The "pupils" of the camp raided by the police were trained to use submachine guns and carbines. According to the Chiclayo police, subversive material was also found.

Bridges, Bank, Guardsmen Attacked

PY131605 Lima Panamericana Television Network in Spanish 0330 GMT 13 Jan 86

[Text] A few hours ago, members of the Shining Path terrorist group blew up the Tablachada Bridge over the river of the same name and the (Chucuruzal) Bridge over the Plata River. Consequently, the Muelle Pata and Pampas districts in Chimbote province are isolated.

Personnel of the 36th Civil Guard post in Chimbote have been deployed to search for the terrorists, and tonight they will carry out a large-scale operation in the area.

According to another report, in Pampachiri, Andahuaylas Province, members of the Republican Guard and the Shining Path engaged in a heavy shoot-out. More than 150 terrorists attacked the Republican Guard post in Pampachiri in an attempt to seize arms and ammunition. The guards on duty managed to immediately repel the attack and force the terrorists to flee. Two Republican Guardsmen sustained bullet wounds, and it is believed the terrorists also suffered several casualties.

Our correspondent in Chiclayo has just informed us that about 20 minutes ago Shining Path guerrillas dynamited the Agrarian Bank building in Chiclayo Province. The explosion caused serious damage and the ground floor was practically destroyed.

8 Km of Road Destroyed

PY141309 Madrid EFE in Spanish 2324 GMT 13 Jan 86

[Text] Lima, 13 Jan (EFE) -- It was reported here today that a column of alleged members of the Shining Path terrorist group dynamited several parts of an 8-km stretch of road in Cajatambo Province, north of Lima.

The dynamited stretch, which has been closed to the traffic, is on the road linking Cajatambo, capital of the province, to Carhua. According to the Republican Guard, the attack was carried out last night by about 20 terrorists. The police report stated that the dynamite charges exploded one after the other and alarmed the inhabitants of the region.

No casualties were reported, but it has been reported that the 8-km stretch of road has been closed to traffic.

SANGUINETTI CALLS FOR 'OVERALL CONSENSUS'

PY141825 Paris AFP in Spanish 2338 GMT 13 Jan 86

[Excerpt] Montevideo, 13 Jan (AFP) -- President Julio Sanguinetti today announced that the Uruguayan Government will submit an action plan to the opposition parties that will cover the coming 3 months seeking increased economic growth through the mechanism of agreement.

The chief of state said that he continues to believe that the country needs a government of national accord, and he promised to continue to seek an overall consensus among the country's political organizations.

He stated that in March 1985 his government's position was explained to the leaders of the National Party (center), the Broad Front (leftist), and the Civic Union (Catholic), and he stressed that after these first 10 months in government, we continue to maintain the same position.

All channels are open, the dialogue remains fluid, and we continue to hope that at any time now we can find the agreement with which we can achieve a much broader agreement than the one existing at this time, he stated.

Outlining his aspirations, Sanguinetti indicated that it is his belief that if Uruguay is to enter a period of growth, then it is very necessary to achieve a more stable situation in the political sector and closer relations in the activities of the executive branch and Congress.

TUPAMAROS' HUIDOBRO ON GROUP'S CURRENT STRATEGY

PM091555 Barcelona LA VANGUARDIA in Spanish 5 Jan 86 p 8

[Interview with Tupamaros leader Eleuterio Sanchez Huidobro by Santiago Palacios; date, place not given]

[Text] Buenos Aires -- After the lengendary Raul Sendic, elected secretary general of the Tupamaros National Liberation Movement (MLN-T), Eleuterio Fernandez Huidobro was the candidate who received the second-largest number of votes at the Uruguayan former guerillas' first legal congress last 21-22 December. Fernandez Huidobro is one of the advocates of "working in legality as a way of bringing the changes the people demand."

The Tupamaros leader considers that "genuine and real solutions to the economic situation are essential" but warns resolutely and unambiguously that "if despotism returns we will use every form of struggle, including armed struggle. They will not drive us out next time. We will not lose."

With a foretaste of self-criticism, Fernandez Huidobro admitted in his conversation with LA VANGUARDIA "the isolation in which the Tupamoros left the people" because of their blundered guerrilla approach.

[Palacios] The MLN is supposed to have carried out a self-criticism of its political-military strategy. In your opinion what were the most serious errors committed by the guerrillas?

[Huidobro] To start with let us identify two that we consider very important.

First, the failure to establish ourselves thoroughly within the masses, which implies some degree of contempt for the Uruguayan people, whom we have learned to respect and to love much more as prisoners. Far from feeling superior to anyone, those of us who describe ourselves as social fighters must be at that people's service and act as their political representatives. We must identify with their problems and feelings. This ideological, doctrinal principle must guide the steps of an organization like ours so that it does not swerve from its objective.

Obsession With Armed Struggle

The other very serious mistake was to have lapsed at one point into a "militarism" that caused us to forget the eminently political substance of our action, designed to gain the support of the broad masses of Uruguayans. Unwittingly we allowed ourselves to be drawn along by the dynamic of the armed struggle, of the accelerating events.... and we lost ourselves.

[Palacios] What interpretation should be placed on the resolution adopted, whereby the MLN-T will not give cause for repression to be imposed on the people again?

[Huidobro] We are being watched through a magnifying glass and listened to through an amplifier. There are sectors that want to attribute to us things that we have not said or to manipulate stances or statements by MLN members so as to take certain measures that serve plans to destabilize democracy. The very least excuse will be enough to hit us -- not just as Tupamaros but the people as a whole.

Right To Rebel

[Palacios] The MLN has said that it will not take up arms again unless the country suffers another situation of tyranny. Is one to understand that the Tupamaros have abandoned the armed struggle?

[Huidobro] The peoples' right to rebel or to carry arms is enshrined even in modern North American constitutions and I accept it as valid, as our national hero Jose Artigas did. It is stated in Section Three of the Preamble to the UN Universal Declaration of Human Rights. To defend oneself and rebel against any form of oppression and tyranny is one of the inviolable rights of a human being. This seems to me easily understandable for Europeans, for instance, who suffered the consequences of fascism. We Tupamaros do not proceed from the principle of unleashing guerrilla warfare on the government of the time. When we formed the MLN, what we did was to start preparing to consider the possibility of a dictatorship that was becoming institutionalized in the context of a serious economic crisis.

[Palacios] But you became active before the military coup....

[Huidobro] The political prisoners who were the first occupants of the prisons specially designed for them during the government of former president Jorge Pacheco Aceco, later ambassador to Spain, did not include us. When the first Tupamaro was arrested some 5,000 members of Uruguayan student and trade union movements had already gone through military institutions. You cannot say that the dictatorship was established in Uruguay in 1973. That was when the legislative authority was dissolved. However, the process of growing authoritarianism began much earlier. The armed struggle in Uruguay accompanied the people's struggles, but the MLN never went as far as direct hostilities against the repressive forces. Any operational guerrilla force devotes itself to inflicting damage on the enemy without hesitation. In Uruguay, however, the armed struggle took place in a very special way. At the start it was a harassment of a government that was a mere sham of democracy. Then after the coup the struggle was waged fiercely against the dictatorship.

[Palacios] Within this context of legality, what are you proposing to Uruguayan society, which has always identified you more as a guerrilla group than as a political group?

[Huidobro] We advocate a basic three-point program: agrarian reform, nationalization of banking, and nonpayment of the foreign debt. The first point is vital to the country's economic recovery: It is necessary to make available to the people expanses of land greater than the 2,500 hectares virtually unexploited by the oligarchy [sentence as published]. This, together with the state ownership or nationalization of banking, are in any case measures for which the majority of the Uruguayan people voted in the November elections.

Do not forget that the Blanco Party and the Broad Front included those demands in their action programs.

BRIEFS

ANNUAL INFLATION RATE -- The Statistics and Census Bureau has reported that the inflation rate in Uruguay reached 83 percent in 1985. [Summary] [Montevideo Radio Carve in Spanish 0930 GMT 10 Jan 86 PY]

FRG AMBASSADOR DEPARTS -- FRG Ambassador Johannes Marre will leave Uruguay on 31 December [1985], having ended his diplomatic functions. Marre will be replaced by Dr Herst Schirmar, a career diplomat who will arrive in Uruguay in February 1986. [Summary] [Montevideo EL DIA in Spanish 27 Dec 85 p 5 PY]

BELIZEAN MINISTERS ARRIVE FOR BILATERAL TALKS

FL142004 Mexico City NOTIMEX in Spanish 1840 GMT 14 Jan 86

[Excerpt] Mexico City, 14 Jan (NOTIMEX) -- Belizean Commerce and Industry Minister Eduardo Juan said here today that Mexico's economic recovery and social tranquillity are determining factors for Belize to increase bilateral relations with the Mexican Government in 1986.

Upon arriving in Mexico City, along with Energy Minister Israel Alpuche, the Belizean official stressed that his visit to Mexico demonstrates the excellent relations existing between the two countries.

Nevertheless, he said it is necessary to increase trade, political, and cultural exchanges since increased cooperation is required between governments to confront the world economic crisis.

'SERIOUS' DECREASE OF FOREIGN INVESTMENTS NOTED

FL140349 Mexico City NOTIMEX in Spanish 2125 GMT 13 Jan 86

[Excerpt] Mexico City, 13 Jan (NOTIMEX) -- According to a statistical analysis made by the national commission of foreign investments and the Bank of Mexico, direct foreign investments in Mexico have fallen by 83.22 percent from 1981 to 1984.

The flow of foreign capital to the country was shown a serious decreasing tendency because of foreign investors' lack of confidence due to the economic crisis the nation is going through, it added.

Direct foreign investments fell from $1.142 billion in 1981 to $191,600 in September of 1984, which shows a 83.22 percent drop.

The analysis indicated that in 1981, the country registered the greatest amount of foreign investments of the last 46 years and, since thean it rapidly decreased affecting the Mexican economy even more.

Major investors such as the United States, Great Britain, Japan, Germany, and France, which represent at least 90 percent of direct foreign investments in the country, have shown uncertainty because of the political and economic outcomes since 1982.

Faced with this problem, last June Mexican President Miguel de la Madrid traveled to Europe to encourage investments. National authorities estimate that foreign investments will amount to $5-6 billion during 1986-88 period.

PEACE MARCHERS SPOKESMAN TO MEET WITH OFFICIALS

FL142239 Mexico City NOTIMEX in Spanish 2125 GMT 14 Jan 86

[Text] Mexico City, 14 Jan (NOTIMEX) U.S. militarism and interventionism are blocking peace in Central America, peace marchers in Central America international communications secretary Ron Ridenour said today. Upon his arrival in Mexico City, where he will meet with Foreign Under Secretary Ricardo Valero and with the chairman of the foreign commission of the chamber of deputies, Juan Jose Bremer, the peace marchers' spokesman asserted that the Governments of Honduras and El Salvador are neofascists, inasmuch, when they attempted to enter those countries, 200 peace marchers -- who left Panama and are trying to get to Mexico -- were mercilessly attacked.

Nevertheless, he underscored that the Central American people's ideology and sympathy unconditionally support the Contadora Group's work since they are tired of carrying the U.S. yoke.

He said that the U.S. main interest of stopping this peace march is to shield the international community from learning about the military bases it has in Honduras and El Salvador and the tortures to which its Army subjects the people of the region.

Regarding the topics he will discuss with Foreign Under Secretary Ricardo Valero, Ridenour said he will request that the Mexican Government send a representative to welcome the peace marchers at the Guatemalan border next 17 January.

Likewise, he added that they will discuss a possible meeting with Mexican President Miguel de la Madrid to explain to him the achievements of this peace initiative carried out by 200 people from 25 countries of all over the world.

The peace marchers' spokesman emphasized the aim of this action, which is to support the only policy that will bring the world some social respite -- peace -- because the group is absolutely convinced that military intervention is not the answer to solve international conflicts.

He concluded by saying that with this march we want to show the whole world that if we all get together we will be able to halt and decrease world tension, which is threatening to cause World War III, and this would be a disaster for humankind.

BRIEFS

DRUGS CONFISCATED -- Mexico City, 13 Jan (NOTIMEX) -- Over 31 tons of marijuana, 711 kilos of opium paste, and 664 drug smugglers have been captured during the last 70 days of the battle the Mexican Government is waging against drug production and smuggling in Mexican territory, Defense Secretary Juan Arevalo Gardoqui reported today. At a meeting with President Miguel de la Madrid, the official explained the results of the Canador Plan and the Condor Operation the Army is carrying out with the support of other enterprises. A total of 808 hectares of poppy plants and 812 of marijuana were destroyed. The harvest would have yielded 16,160 kilos of opium paste and 65 tons of marijuana, respectively. Over 40 kilos of poppy were also seized. [Excerpt] [Mexico City NOTIMEX in Spanish 0140 GMT 14 Jan 86 FL]

NORIEGA NEW CHIEF OF DEFENSE, SECURITY COMMITTEE

PA140222 Panama City Televisora Nacional in Spanish 0000 GMT 14 Jan 86

[Text] General Manuel Antonio Noriega, commander in chief of the Defense Forces, presided at noon today over the Defense and Security Committee transfer of command ceremony. Gen Noriega received the command pennant as new chief of the Defense and Security Committee from Colonel Bernardo Barrera.

The ceremony was witnessed by Lieutenant Colonel Guillermo Wong, of the combined board, and Lieutenant Colonel Rogelio Alba, of the joint committee, both binational entities created by the Torrijos-Carter Treaty.

Col Bernardo Barrera will be assigned as chief of G-2 of the General Command.

Gen Noriega referred to the new direction in relations between Panama and the United States, and noted that it reveals a positive development with the increased participation of units from the Panama Defense Forces.

OPPOSITION ALLEGEDLY PLOTS 'TO DESTROY COUNTRY'

PA141853 [Editorial Report] Panama City CRITICA in Spanish on 13 January publishes on pages 1, 36, and 48 a 2,000-word article with headlines saying the opposition "is trying to destroy the country with 'Operation Pincers'. Arias Calderon, Gilberto Arias, Carlos Rodriguez, and Roberto Eisenmann are the brains of this great tension against Panama." The Miami-datelined item is attributed to a "special correspondent" who has "fully confirmed the reports circulating in Panama" to the effect that there is "vast financial and economic terrorism that seeks to undermine the stability" of Panama.

The author says he has conducted investigations in Washington, New York, and Miami that confirm the participation of the above-mentioned men in this plan, which is being coordinated in Panama City and Miami. The article cites Panamanian businessman Roberto Eisenmann as saying: "I am willing to bankrupt this country (Panama) in order to reach power." The purpose of the plan, the article adds, is to "destroy the economic stability of Panama, including the bankruptcy of banks, business enterprises, and industries, in order to provoke chaos that would help the defeated opposition parties to take over the government" and turn it over "briefly" to Arnulfo Arias Madrid, who is serving "the interests of the U.S. rightist politicians."

"Operation Pincers" would have one pincer in Panama and the other one in the United States, the article adds, and the plan is attributed to Christian Democratic Party President Ricardo Arias Calderon, with the "political advice and financial assistance from the FRG, Italy, Chile, Venezuela, and El Salvador." The "pincer" in the United States operates out of the U.S. Congress, where "ultrarightist" congressmen boast about "partially neutralizing the effects of the Torrijos-Carter Treaties," the article says, adding that another "pincer" is Panamanian banker Carlos Rodriguez in Miami.

EL SALVADOR

JOINT CHIEFS HEAD BLANDON HOLDS NEWS CONFERENCE

Views 1985 Military Successes

PA140244 San Salvador Radio Cadena YSU in Spanish 1800 GMT 10 Jan 86

[Statement by General Adolfo Oneciforo Blandon, chairman of the Joint Chiefs of Staff of the Salvadoran Armed Forces, at a press conference held at the Hacienda San Cristobal near Guazapa Hill on 10 January -- recorded]

[Text] I would like to divide this meeting into three parts. First, I would like to make a short review, a brief evaluation of what we of the Joint Chiefs of Staff think was achieved militarily during 1985. After that, I will discuss why we are here, and finally, as always, I will be at your disposal for whatever questions you may wish to ask.

On the first point, I would like to tell you that after an exhaustive evaluation by the Joint Chiefs of Staff, all the brigade and detachment commanders, and the commanders of the rapid deployment battalions of the work we did during 1985, we reached the conclusion that all of the goals we had set at the beginning of the year in the military plan were reached satisfactorily.

During 1985 we managed to maintain a constant initiative, a constant offensive throughout the national territory, and this is reflected in the 192 military operations we carried out throughout the country. These military operations were successful from various purely military viewpoints, particularly from the viewpoint of the influence they had on the enemy troops, on the morale of the subversives, and on other factors I shall try to give you in the form of some statistics I have here.

Of the enemy, 1,034 were killed in terrorist actions and a total of 712 defected. These defectors [presentados] are terrorists who regret their actions and turn themselves in at our military units, either armed or unarmed. We recorded a total of 2,031 captured. Of these, 15 percent were freed because of a lack of sufficient evidence; the others were arraigned in the various courts of the country. To this we must also add the 101 injured and maimed whom the terrorists got out of the country in exchange for freeing the kidnapped daughter of the president of the Republic. In view of this, we can say that armed terrorist troops throughout the country have been reduced to one-third of the number that existed at the end of 1983.

On the side of the Armed Forces, we have a total of 426 killed in combat and 1,635 injured. This is as far as strict combat clashes are concerned. However, we have made great progress in other fields, in instruction, for example. In the area of instruction, in 1985 we founded the military training center in La Union, of which you are all aware, and which is giving us excellent results. There, not only are recruits trained for combat, but we also train noncommissioned officers -- corporals, subsergeants, and sergeants -- and at present we are teaching cadets. This year we will be teaching courses for officers that were previously taught abroad.

The year 1985 also left us with great combat experience. At present I would say that our war materiel is in better condition than in any other year. In general terms we are better armed, and above all, we have excellent air as well as ground mobility, which allows us to provide assistance and reinforcements.

Our rapid deployment force permits us to reach any place in the country where an Armed Forces unit might be in danger. In 1985, the Armed Forces also made progress in the professional field. We had officers and other personnel studying in different countries in the country [as heard], and for 1986 other countries in Europe have made us offers, and commissions of officers will be sent to these countries to study. This is undoubtedly a form of recognition of the efforts, professionalism, and achievement of the Armed Forces of our country in defense of democracy, liberty, and justice. These are precisely the principles we are defending in this conflict that has been imposed on us.

In the military area, I can also tell you that we have made great progress with respect to human rights. Although international organizations still do not treat us with enough fairness, we have at least managed to get them to also condemn certain attitudes of the terrorists that they previously did not acknowledge.

Throughout 1985 the Armed Forces humanized the conflict, having permitted the departure of terrorists who had been injured in combat and who were in danger of losing their lives. Through humanitarian organizations we arranged for them to leave the country, and this is a situation that I know is known to you all.

Also in 1985, in the political arena, the Armed Forces have quite clearly supported the democratic process and continue to do so. You were all witness to the National Assembly elections, and we are supporting the legitimate government elected by the people. This is our fundamental objective in this area: support for the democratic process. We also support, in this same area, all the work the government did in an effort to achieve peace in the country through dialogue and talks, which, by the way, were overturned by the same terrorist groups, demonstrating that they were proposing not a sincere dialogue, but a tactical one.

In the economic area, the Armed Forces' efforts to provide security for the harvest, to industries, and to transportation were successful, despite the fact that the terrorists made great efforts throughout all the country to hamper free movement. They machine-gunned 62 buses in different parts of the country. They damaged 115 privately owned vehicles, and totally destroyed 82 vehicles by setting them on fire. This is what we call the war against the people, not to mention all the damage to the infrastructures, or the damage to the civilian population through the indiscriminate use of mines and indiscriminate terrorist actions such as kidnappings or murderous assaults like the one you all know about in the Zona Rosa.

This, in a nutshell, is the work we did in 1985. Why are we here? We are here because on this day the Armed Forces have started an operation we are calling "Operation Phoenix" in the Guazapa area. This operation involves reinforced units of the 1st Infantry Brigade. We are about to try out a new tactical procedure based on the principles of dispersion, speed, information, sudden attacks, and above all, mobility. At this time we are conducting an operation. We started this morning with the bombing of recognized terrorist camps, and are already seeing some of the preliminary results. In a clash with one of the units, in one of the camps near here a terrorist was killed and a rifle recovered, and another terrorist turned himself in voluntarily to units stationed near Suchitoto.

Within this operation, we plan to search the Guazapa Hill area inch by inch. Although this ceased to be a tactical bastion after Operation Guazapa 10 back in early 1983, the terrorists have kept small units there, purely for propaganda purposes. This is why we find representations of all terrorist organizations in this area. Lately this area has been characterized by the presence of small groups. We plan to stay here as long as is necessary to expel the terrorists from this entire area, although we realize that because of the propaganda value that they have, they will not leave so easily.

They will most likely try to keep small groups here because the proximity of the capital gives them just the propaganda they want abroad.

As I was saying, this operation called "Operation Phoenix" is being carried out by 1st Infantry Brigade units, reinforced with Air Force and Special Units. I will now end my statement to give you the opportunity to ask questions, to let me know of your concerns.

Discusses New Army Offensive

PA140303 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 10 Jan 86

[By Francisco Campos]

[Text] The bombing heard this morning in this capital marked the beginning of a new counterinsurgency operation, "Operation Phoenix," it was announced today by General Adolfo O. Blandon, chairman of the Armed Forces Joint Chiefs of Staff. Gen Blandon held a news conference with foreign and national journalists at Hacienda San Cristobal, located in the Guazapa jurisdiction. The military officer said: With this operation we intend to comb every inch of the Guazapa Hill area and the country's northern sector. The counterinsurgency operation is headed by the 1st Artillery Brigade, which is led by Colonel Leopoldo Hernandez, and is supported by specialized counterinsurgency battalions. The operation is also being supported by the Air Force and is scheduled to cover 1,500 square km.

Gen Blandon first announced the new operation and then answered the questions of the journalist, who also asked him about the FMLN guerrilla attack on Juayua yesterday and the Armed Forces' activities during 1985. Following is Gen Blandon's explanation about the attack on Juayua:

[Begin recording] [Blandon] I believe that this was perpetrated by terrorists who came from other zones for that purpose; you know they are always seeking publicity. You ask why we came so late? The Air Force arrived early, and it seems that the civilian population [words indistinct] as soon as the first helicopter arrived, even though considerable damage had been inflicted. The troops obviously...[changes thought] It is not the same to walk on a highway as it is to walk through a coffee plantation. On a highway we advance 4 km per hour, but when walking through a coffee plantation -- and at night -- we advance at a much slower pace.

[Beltran] General, Raul Beltran of UPI. Colonel Sigifredo Ochoa said yesterday that part of the operation is being carried out in the sector of Miramundo. He had warned [changes thought] revealed that guerrilla groups had been moving toward the west. All this has been taking place during the last two or three weeks. In addition, the civilian population in Juayua is puzzled because such an important town had only a small civilian defense post.

[Blandon] You know that the western zone has been the most calm, the most at peace. I think that what happened was due, and we will be honest about this, to overconfidence.

[First unidentified reporter] General, excuse me, but Colonel Hernandez said yesterday that the Armed Forces arrived at 0130; in other words, one and a half hours after the attack. Is this quick enough? You said that....

[Blandon, interrupting] It all depends on where the reinforcements are at the time and the type of ground they have to cover.

[First unidentified reporter] I see.

[Blandon] I might add that this is being closely analyzed by the general staff to determine if the time that elapsed before these forces' arrival is just or not. We must bear in mind a series of circumstances: the place where they are, the distance to be covered, the general topography, and other tactical aspects.

[Second unidentified reporter] General, approximately three years ago the Armed Forces established some military bases in Guazapa Hill and launched many operations to clean out the zone. However, the guerrilla groups have managed to avoid the operations, and they returned to the site a few weeks after the operation. Do you think it will ever be possible to clean out the hill? Second, if you succeed in cleaning out the hill, what will this represent in the overall (?scheme of things)?

[Blandon] The struggle [words indistinct]. The terrorist organizations will do the impossible to maintain a presence in the Guazapa area because this brings them publicity and propaganda at the international level, given that Guazapa is a few kilometers from the city. The operation is aimed at cleaning out the area but, and I repeat this, I do not discard the possibility that they will return in small groups. However, we are planning on keeping a permanent presence not only in the bases -- which are there exclusively for defensive purposes -- but also by being on the offensive throughout the area.

[Beltran] General, the guerrillas will commemorate the fifth anniversary of the so-called final offensive on 10 January. Do you or does the general staff have information about other actions in the countryside on this date, which is very important for them?

[Blandon] We do not have specific details, but we have some predictions and have analyzed some possibilities. We already have the appropriate plans for any type of action which may arise on that date.

[Beltran] Do you expect a large-scale operation or harassment on that date, 10 January?

[Blandon] None, for the time being.

[Beltran] Thank you.

[Third unidentified reporter] Why has the FMLN been increasing its operations in the western sector of the country -- aside from what we would call propagandistic purposes?

[Blandon] First of all, I think they are trying to create the impression that they are activating the western zone. They also get publicity at the international level for this, and they are surely trying to expand their actions to Ahuachapan and Sonsonate Departments. [end recording]

Gen Blandon also answered questions about Colonel Napoleon Avalos' status:

[Begin recording] [Gen Blandon] All I can say is that the terrorists sent a message a few days ago -- via a humanitarian organization -- saying they had a critically wounded terrorist. Half of his body is paralyzed and they have to take him out of the country. I told them we would let them take the man out of the country, but we wanted the International Red Cross to see Col Avalos -- at least that. The terrorists refused to do this; they preferred to have their man die than let the International Red Cross ascertain that Col Avalos is alive. I have no other information about additional negotiations.

[Fourth unidentified reporter] General, Sonsonate is an important department concerning the economy, ports, railroads, buildings, distilleries, and all that. Do you have a lot of forces to protect all the west, Sonsonate, and Santa Ana while you are still in the east?

[Blandon] We have a capacity to strengthen the 2d Infantry Brigade. However, the socioeconomic characteristics of the western zone are completely opposite to those of northern Chalatenango and Morazan. That is why the terrorists' attempts to win over those in the west have proved unsuccessful. It is also important to mention that the influence of the Third World [tercermundistas] priests was rather scant in that western zone. We must also bear in mind that the capitalists in the western zone have maintained a more flexible mentality; that is why Marxist ideas have had little acceptance in that zone. In addition, I might say that they have not forgotten what happened in 1932.

[Fifth unidentified reporter] Colonel Hernandez criticized some landowners and coffee growers in Sonsonate because they have not abided by the law and paid the minimum wages, and this could be used by the guerrillas to recruit the people. Is there anything the Armed Forces can do to guarantee that the landowners in the zone abide by the law?

[Blandon] I do not think it is strange for some to act like this, but this is not the general attitude. However, we can do something so they understand that the laws, particularly the labor laws, must be enforced, and so that anyone working for those people will feel satisfied because their social rights have been respected.

[Fifth unidentified reporter] General, would you say that 1985 has been the best year so far for the Armed Forces in El Salvador?

[Blandon] I would say yes. [end recording]

General Adolfo O. Blandon stated that during 1985 the FMLN rebels sustained 1,024 dead, 712 wounded, 2,031 desertions, and 101 disabled members who were exchanged for President Duarte's daughter. [all figures as heard] He added that the Army sustained the following casualties: 426 dead and 1,683 wounded. [figures as heard] General Blandon explained that the Army intends to maintain positions in Guazapa Hill so that the guerrilla forces cannot come back after "Operation Phoenix" concludes. Referring to the attack on Juayua, Blandon said the rebels are only trying to gain publicity at the international level.

RESULTS OF ARMY'S 'OPERATION PHOENIX' OFFENSIVE

PA142224 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 13 Jan 86

[Report issued by the Armed Forces Press Committee; date and place not given -- read by announcer]

[Excerpts] The following are the results thus far of the "Operation Phoenix" being conducted by combined Army units in the Guazapa area: 8 terrorists killed, 1 captured, 1 surrendered, 20 FPL [Peoples Liberation Forces] members captured, and 9 rifles confiscated, including 4 AR-15's, 2 M-16's, 2 G-3's and 1 FAL. The Armed Forces reported one soldier killed and six slightly injured, who were transferred to the military hospital in this capital.

Meanwhile, FMLN terrorists attacked the civilian population by destroying 18 power pylons.

In another incident, Army troops clashed with terrorists near (Los Masariego) village, located in San Jose Guayabal jurisdiction, Cuscatalan Department, seizing one M-16 rifle and other military equipment.

Another clash occurred near El Sitio village and farm, located in Suchitoto jurisdiction, Cuscatlan Department, in which one terrorist was killed.

Soldiers of the antiterrorist Cacahuatique Battalion based in Morazan clashed with FMLN extremists in Colorado Hill, located in Las Tijeras Canton, Lislique jurisdiction, Morazan Department. As a result of this incident, one terrorist was killed, 1 AR-15 rifle as well as a large amount of subversive propaganda were seized.

In the same manner, troops of the 6th Infantry Brigade in Usulutan clashed with terrorists in El Jicaro Canton, located in San Agustin jurisdiction, Usulutan Department, wounding one terrorist.

In another action, troops of military detachment no 7 in Ahuachapan clashed with terrorists in La Cumbre Hill, Apaneca jurisdiction, killing three terrorists and wounding four, and confiscating three M-16 rifles, one G-3 Rifle, clips, and ammunition.

FMLN DECREES HIGHWAY TRANSPORTATION STOPPAGE

PA141628 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 13 Jan 86

[Communique issued by the FMLN General Command; date and place not given -- read by announcer]

[Text] The FMLN General Command urges all drivers to stop using the country's roads effective Thursday, 16 January. The FMLN decrees this new transportation stoppage to repudiate the unpopular measures of the so-called economic package with which the Duarte regime wants the people to pay the cost of a war imposed by imperialism.

Together with the people, we repudiate these measures that will increase the price of fuel and staples while maintaining the same low salaries.

The FMLN General Command issues a call to all its units throughout the country to ensure strict compliance with this transportation stoppage on the nation's main and secondary roads.

FMLN VIEWS STRUGGLE 5 YEARS AFTER 1981 OFFENSIVE

PA131605 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 11 Jan 86

[Communique issued in El Salvador on 10 January by the FMLN General Command on the 5th anniversary of the 1981 general offensive -- read by announcer]

[Text] 10 January 1986 marks the 5th anniversary of the general offensive of 1981. The events of 10 January 1981 marked the path toward a superior and irreversible level of our people's struggle. Through a constant and harsh struggle, the Salvadoran people have tried for decades to find a just solution to the acute social and political problems they are enduring.

These problems reached the breaking point in 1979 as a result of the structural crisis that arose and which the ruling class has not been able to resolve yet.

The structural crisis continues to worsen, and this crisis is evident in both the wearing out of the social and political system, which is based on the exploitation and oppression of the vast majorities who are becoming poorer all the time, and the control and privileges of a minute minority, which is becoming richer all the time and which showed it is not capable of ruling the country in any way other than repression and slaughter.

The general offensive of the FMLN on 10 January 1981 led the Salvadoran people to a stage in their struggle in which the main goal is to evict the ruling class as well as its military and political class from the power that has allowed them to exploit and suppress the people without any restrictions.

The struggle of the workers and of the vast masses of the people is becoming an acute confrontation, developing more in the (?seventies) in the large mobilization of the people, labor strikes, the occupation of land by the peasants, and other forms of protests and demands, which are becoming more radical all the time, including the electoral struggle [word indistinct] by the democratic and revolutionary forces.

In the early seventies, there was an armed revolutionary struggle. The revolutionary forces' capabilities developed by incorporating the people and carrying out their own war against their historic enemy. Those different forms of the people's struggle were systematically denied by the demands of the [word indistinct], whether these were economic, social, or political. Reactionary violence was intensified against the people in a harsher manner. By late 1979 and early 1980, the death squads and the police forces murdered an average of 20 people daily. The poor and working people, high school and university students, the teachers and priests committed to the people were suffering throughout the country [5-second break in transmission], disappeared and were murdered.

In March 1980, San Salvador Archbishop Msgr Oscar Arnulfo Romero was murdered. In November, the members of the Executive Committee of the Revolutionary Democratic Front [FDR], led by Enrique Alvarez Cordoba, were murdered. Strikes and demonstrations were the scenes of slaughters, even in downtown San Salvador, as was the case of the large demonstration in front of the cathedral during Msgr Romero's funeral. It was necessary to give an answer to this, to take the people to a higher level of struggle or resign ourselves to see how [3-minute break in transmission] its hopes and wills for liberation were crushed.

Within this framework, in October 1980 the FMLN brought together all the revolutionary forces and decided to undertake the task of organizing and leading the people's answer, and in this manner guarantee the continuity of the people's offensive via the path of the revolutionary armed struggle, when the unarmed struggle could no longer defend the people in the face of the brutal repression, and ensure the continuity of the path to the victory of the people's deepest aspirations for liberty and justice.

The FDR arose in March 1980, showing a firm loyalty to its commitment with the people and, likewise, assumed its duty to struggle and lead the people in this new and higher stage opened by the general offensive of 10 January 1981.

We have evolved much in our political and military knowledge. We have gradually advanced from small clashes to complex military operations. We have defeated the various tactics of the enemy. We have generalized the revolutionary people's war to the point where we are operating in 13 of 14 departments of the country.

Soon, we will be operating throughout the national territory. The people's struggle has once again entered the field of political claims, and during these 5 years [2-second break in transmission] we have carried out extraordinary and successful efforts in the fields of diplomacy, adding another resource, a new instrument to our people's struggle.

Regarding this, relevant merits go to the FDR and its leaders. The people's enemies, the imperialists and the top command of the puppet Armed Forces, were very wrong. Based on much analysis, they concluded that right after the 10 January general offensive we wound up weak militarily and estranged from the people. They thought it was the moment to seek annihilation of the nascent guerrilla movement. It was the nascent guerrilla movement which, after having withdrawn to mountainous and flat areas in the country, resisted the large military offensives aimed at [word indistinct] and annihilating us.

Those enemy offensives failed. We faced them and defeated them one [3-second break in transmission] far from defeating us, they became political schools to train and develop our units in the struggle. They served to forge the revolutionary discipline and morale. Fighting the enemy, we learned to lead our forces under war conditions and facing an enemy army that kept increasing in its firepower and operational techniques, supplied by the U.S. imperialist government.

Thus, by defeating the enemy we -- the combatants, officers, and chiefs, as well as the rank and file members and leaders of the parties that make up the FMLN and the other parties and groups that make up the FDR -- acquired experience and quality. Thanks to this, the Salvadoran people now have an indestructible revolutionary army. Thanks to the advance of the revolutionary war, the large majorities of the urban and rural sectors, the students, and the intellectuals were encouraged to resume the struggle for the defense of their poor living conditions to demand land and their right to schools, health, and respect for human dignity, which seemed to have been crushed in 1981, 1982, and part of 1983.

Five years after the general offensive, the FMLN and the FDR [word indistinct] united [2-second break in transmission].

The people are more conscientious, more organized, and are better fighters. The prestige of the Salvadoran people and their revolutionary movement is worldwide. The FMLN and the FDR have broad support on all the continents of the planet.

In contrast, the dictatorship is covered with shame. It delivered the country's sovereignty and independence to the U.S. Government [3-second break in transmission] and is now weaker. It was useless for it to try to create a Christian Democratic image by taking Napoleon Duarte to the presidency.

On this 10 January 1986, the government is in crisis. It is desperately trying not to succumb to the turmoil of its contradictions with the military officers and the oligarchy, while the PDC [Christian Democratic Party] is rotting in corruption and the Reagan government demands that Duarte complete purging his image by implementing a package of economic measures aimed at financing the war against the Salvadoran people, which he has already lost.

The FMLN and the FDR will lead the Salvadoran people's political, military, and diplomatic struggle to very high levels. They will lead it to victory and, at the same time, we will make further efforts to clear the path to a fair, politically negotiated solution that will spare the people from pain and destruction.

We will work to achieve a fair, politically negotiated solution that will gather the interests of the different sectors with a will for peace, independence, true democracy, and social justice in our fatherland.

Honor and glory to the heroes and martyrs of 10 January 1981 united to fight, to the final victory!

Revolution or death, we will win!

[Signed] FMLN General Command, El Salvador, 10 January 1986

GUATEMALA

CEREZO SPEAKS AT 14 JANUARY INAUGURATION

PA142245 Guatemala City Domestic Service in Spanish 1957 GMT 14 Jan 86

[Inauguration address by President Vinicio Cerezo Arevalo at the National Theater in Guatemala City -- live]

[Text] Guatemalan people, Mr President of the Congress, the people's representatives, Messrs deputies, Brigadier General Oscar Humberto Mejia Victores, your excellencies heads of state from brother countries, representatives of friendly nations and peoples, representatives of international organizations, Messrs presidents of the legal branch and Supreme Electoral Tribunal, Messrs commanders, friends of the world who visit us:

I speak as a friend among friends, as a brother among brothers, who shares your happiness because the Guatemalans return today to their house. Vinicio Cerezo has not been sworn in today as constitutional president of the Republic; this is merely a legal formality. The people, all the Guatemalan people, have really taken possession of the presidency. [shouts, cheering, applause]

Given history's absurd and painful forces, we are a people who were cast from our house and today we return to it. We are a people who had been deprived of our rights for a long time, and many of us were persecuted because we spoke the truth. We have recovered the right to speak. [applause] We are a people who were formerly told what to do and how to do it, without ever being asked if we thought it was wrong or right, or if it agreed with our community, village, region, group, ideas, hopes, and traditions. We were not asked if it agreed with our beliefs. We have recovered our right to participate. [applause]

Many of us became foreigners in our own land and today return to what is rightfully ours. Upon returning to our house and knowing that each group, each community, and each one of us has recovered the right to participate in our national activities; upon finding ourselves again with the democratic responsibility of being able to participate in the overall activities of our nation at all times; upon realizing -- each one of us -- that we have recovered our civic rights and have returned with full rights to a situation in which each one's self-expression is part of the general and hopeful clamor in our country; in sum, upon reassuming control of our country, based on the people's decision and stated in the ballots, we ask ourselves: What have we found? How do we find our house? What kind of homeland is being turned over to us? What is the situation in our land? What are the hard facts, according to the implacable figures of our history? What is the real inventory of our sorrow and hope today, here, and now? What is the true face of our dear Guatemala, which we receive today?

It is necessary for all of us to begin this diagnosis calmly and wisely.

We must know our exact situation, and this is indispensable to finding realistic solutions and implementing them. However, before analyzing this overall picture in the most accurate way possible, we must first see and understand Guatemala with our minds, and also with our hearts. It is absolutely necessary to exert these scientific and in-depth efforts to know exactly what has happened, what is happening, and what might happen to us as a people, nation, and region if we do not do something drastic and urgent to amend this. We must share this knowledge, regardless of how painful it may be, because part of our crisis is due to the generalized ignorance of what is happening to us, which is derived from a careful misinformation campaign and stealthy actions. Nevertheless, we must also share this knowledge because we have a lot to discuss among ourselves. That is why I tell you that we must also see and understand Guatemala with our hearts because we have a lot to learn from ourselves; because the real possibility of overcoming this terrible crisis lies in our wanting to do it with hope and willingness, with frankness and respect, with a genuine desire to overcome the terrible heritage of mistrust and fear which today we drag with us upon returning to our house. [applause]

It is true that we find a country in the worst conditions ever found by a president in our nation. The Guatemalans find that violence has become a permanent substitute for negotiation and pledges in political life. In the past some Guatemalans resorted to the absurd and primitive language of physical violence and armed reprisals because they were unable to solve their differences through dialogue, understanding, and agreement. Our Guatemalan family has been cast into mourning innumerable times by a senseless and cruel violence which hid itself behind many ideologies.

Some embarked on this violent path due to a personal decision to violate every law, arguing they were defending the privileges and rights they had enjoyed in the past. Others resorted to violence because they saw no other way of defending their rights and achievements. Others did it arguing that it was necessary for security and order. Finally, others resorted to it in order to abusively use their power, thus joining criminals who never respected peaceful coexistence in our community. The reasons are not important. Thousands of Guatemalan lives were lost in this dreadful void of violence among brothers, and hundreds of thousands of Guatemalans have suffered -- in one way or another -- the effects of this generalized situation of abuse.

I want to render, here and now, a patriotic homage to all those who fell, victims of political intolerance, desperation, and abuse. Those thousands of valuable lives represent an unpaid debt for our democratic conscience. [applause]

At this moment of unity and hope I also want to pay a patriotic tribute to the living, to the longsuffering people of Guatemala who had to withstand the economic and social crisis as no one had ever endured it in the past. We are not going to insist on the international aspects of the crisis here today. Other fellow countrymen and other distinguished Latin Americans have already made specific reference to the injustice of the international economic order and how our weak economies have been ravaged in the turmoil of world recession. It is necessary, however, to speak of our internal situation. Although we have been severely punished by the international crisis for reasons well known to all, it is also true that internally some Guatemalans have considerably contributed to this disaster. There has been lack of foresight, purpose, coherent policies, and clear rules of the game. There has been much confusion, selfishness, and very little solidarity in some cases.

Public administration has been played with incompetence and corruption in the past, but this is not enough to understand our situation.

We must also admit having had large doses of intolerance and misunderstanding, together with the total lack of morals and principles. This contaminated our national life with generalized corruption and a seemingly spontaneous tendency to abuse power.

As a result of the previous government's poor administration and corruption, the nation's public coffers are empty. We are faced with an unprecedented economic crisis. Economic activity has dwindled due to serious factors of imbalance in international trade and in the finances of the public sector. Savings and investments have also been reduced, and the margins to overcome such imbalance and adopt an effective economic policy are very tight. There are no funds to begin new projects and the government lacks sufficient resources to finance its operation expenditures. Our foreign debt is four times the value of our yearly exports, having mortgaged the future of our children and grandchildren. By virtue of this debt, each Guatemalan will have to pay over $320.

Too many Guatemalans are jobless, and those who earn a salary have seen it distressingly disappear. Despite wage adjustments, our earnings lose purchasing power as the value of our currency diminishes, and prices continue to increase. According to the cold and cruel language of statistics, by dividing the earnings of all Guatemalans into the number of inhabitants, each Guatemalan has 1 quetzal daily for food, housing, education, transportation, and health. The facts, however, are even crueler and harsher because we know that a handful of Guatemalans have much more than that, and many others have nothing. [applause]

There are eight million Guatemalans, five million of whom live in poverty. Many of our children die at birth, and of those who survive, only one out of three is not undernourished, while the other two are doomed to suffer malnutrition and deficient growth, lack sufficient strength for study and work, and consequently be branded lazy and worthless in the future. They will be scorned for the lack of neatness and education they could never afford.

If the living conditions of most of our citizens are so precarious, it was even worse in the near past when they were not allowed to organize to state their views and collectively defend their rights. The free organization by the citizens of their representative entities was suppressed. Many of the leaders and spokesmen of our people met with death or exile.

Fellow Guatemalans: This is the nation we are receiving. This is the home to which we return to restore order. It would seem that we have returned as people to take charge of things, to become the administrators of bankruptcy and misery. For all this, for the memory of our dead and, above all, for the dedication of our living fellow countrymen, I must insist on paying tribute to a people of true heroes' [applause] to the humble Guatemalans, to those who have endured in life the slow death of neglect, to those who were driven from their homes and forced to emigrate to other countries, to those who lost their loved ones. I pay tribute to those who suffer most from the economic hardships; to those unknown citizens who suffer hunger, malnutrition, ignorance, and unemployment; to the majority of our fellow countrymen who have carried the heavier load of sacrifices so that others may live better and endured so much suffering in their own land of abundance. That is another outstanding debt in our democratic conscience.

In recognition of this heroism and integrity, we must strive so that every Guatemalan may have an opportunity to participate in the efforts for democratic development and in the benefits therein. Today, as we return home and pick up that challenge, we see our Guatemala with our eyes and heart rising with determination and without rancours, full of hope with every Guatemalan shoulder-to-shoulder, united in the free play of our democratic decision to build rather than destroy, to cooperate rather than demand, to give ourselves another opportunity rather than to bicker about it, and to give ourselves more space to rectify rather than seek revenge.

We return to our home to renovate it, improve it, put it in order and, regardless of how much there is to be done, see to it that we do it together. Even though the efforts ahead may seem huge, let us face them together. Even if the road ahead may demand much austerity and sacrifices, let us walk it together. Even if we have practically nothing, let us share what little we have. Let those of us who may have been favored by the privileges and advantages of our unequal development accept, for the sake of justice, the burden due us.

That is the development we must promote -- a joint effort that will not just seek the accumulation of goods and services and an increase in production. All of this is necessary and will be promoted, but this is not enough. That might be economic growth, but it is not development.

We must promote development that seeks to improve the living conditions of the population and to meet their needs with our own resources, fully respecting the community's aspirations. It must be a development where man, not the isolated individual but rather a human being, is the central axis of our efforts.

Building a country should not be merely building roads, buildings, factories, or homes. Building our country should mean seeking unity in our diversity, rediscovering and learning about our ethnic culture and forming our characteristics, upgrading our moral standards while we increase our cultural level. Rebuilding and organizing our home should mean to defeat poverty, provide proper employment for men and women, nourish our children, defeat intolerance, and provide us with a clear sense of and clear rules for our path. In other words, this must mean the organization of development with a social awareness, placing the well-being of the majority and the respect for human dignity as the beginning and the end. [applause]

In the first place, there is a fatherland that is yet to be built. We have a project of a nation before us. Therefore, and even though we are aware of the many and complex problems, we are not afraid, but rather we are stimulated and enthused because we have much ahead to discover because we have much ahead to do. Here, democracy means an effort of collective creativity. We are all the actors and factors of this new task. What is ahead of us? What is the outlook? What are our opportunities ahead?

There is a political project. There is a political project for launching this fatherland. This is a project that belongs to all and which should be supported by all. There is a diligent group of humans that the people have chosen and which represents the people. However it will never be able to carry out its task (?alone). This group of leaders will now begin -- by the sovereign will of the people -- to lead and preside over the joint work of all of us.

We have chosen from among us those who should be the authorities and lead the country. Here, democracy means a collective exercise of responsibility because the authority of the leadership group does not mean anything outside the political project. Authority does not mean power. These are two very different concepts. Power must be subordinated to authority, because power without responsible authority is tyranny and many of those who preceded us apparently did not know or did not want to know the difference. [applause]

By virtue of the same differences of responsibilities added on to the serious crisis we are now confronting, democracy means here and now an effort of collective austerity. It must be a joint effort of all sectors, at all levels, where each and every one of us will strive to do much with very little, and will take good care in a civic and responsible manner of the public resources that belong to all of us. Then we will be able to get ahead. This also means an effort of generosity and devotion. However, the burden must be distributed according to individual capabilities.

We cannot demand more generosity and devotion from those who have already given all they have. Those of us who still have much and have received much have the responsibility of sharing and contributing, even if this only means fulfilling our legal obligations.

Democracy also requires an effort of collective justice due to the serious lack of balance in our national family. We will do everything possible so that this effort will be encouraged and will find the adequate channels in our legislation and in our institutions so that each and every Guatemalan will be protected in his constitutional rights and justice will be available for everyone in an equal manner and not due to threats, money, friendship, or relationship.

Today, more than ever before, democracy must mean for us a deep effort of collective respect and love for the many who have been forsaken for so long. We must recognize that Guatemala has a historical fate and a role to carry out for itself and for the community of nations. This recognition must rest on the recognition of our solidarity as a nation, our respect and love for each community, each ethnic group, our own groups, and a deep respect for the human rights of all.

From this point of view we must be able to better handle the resources we have in addition to those we already mentioned. There is a basis of support from the people for this project of a nation. There is an incipient structure of organization that we must encourage and promote. There are structures of communications, some of them damaged while others are (?imperfect), but we must make good use of them so these will participate in the program. There is a productive structure that with willingness, creativity, and responsibility, and following stable and precise rules, can produce and generate wealth for the country. There is also a structure of military power that supports the project, supports the government, and supports the people represented by the government. [applause]

There is also a willingness and a commitment. Right now it is the duty of the entire nation to greet with deep gratitude the friendly governments and international organizations, but above all, the peoples who through their work, productivity, and taxes have contributed with the resources that have done so much good to Guatemala. We greet that solidarity and generosity with the certainty that we link our democratic process with work and devotion. We admit that other nations, which are also going through serious economic problems, have made great efforts to help us. Like a people returning to a home that has been damaged and is desolate, we are perfectly aware of the role we must play in the international community, in an area that is enduring the most serious political and international crisis in its history. To this we must add our own problems and the conflicts of the superpowers.

We must strongly reaffirm our commitment to peace and our willingness to contribute to achieving peace through democratic participation. We must strongly reaffirm our wishes for solidarity and defend the national and regional interests above any other interests. Therefore, we reiterate our definite support to Contadora and any other efforts for achieving peace in Central America. [applause]

AT the same time that we support these efforts with a sincere gratitude, we are aware of our responsibilities toward the region and therefore we declare our fraternal and strong offer to mediate, if required, while at the same time we reiterate our hospitality to the Central American presidents. In Guatemala, our homeland, you will find your home. We hope to receive you soon in Esquipulas, that historical site where three borders meet, in order for us to discuss our own problems. [applause] This willingness for an opening is nothing but the direct reflection of our internal democratic will and our ideal of achieving someday the political unity of Central America.

On several occasions the Nicaraguan Government has declared that the pacification process started by Contadora has been obstructed due to Reagan's bitter foreign policy. This is the principal reason why the Central American peace treaty has not been signed, he added.

In his brief statements Daniel Ortega said that he had no objections to meeting with U.S. Vice President George Shultz [as heard]. He added that Vinicio Cerezo's government must help promote the conditions that will lead to peace in Central America.

PEACE MARCHERS ARRIVE, TO JOIN GAM DEMONSTRATION

PA141533 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 14 Jan 86

[Text] The members of the international March for Peace in Central America arrived in the Guatemalan capital today, before the presidential inaugural. In initial statements to the press through Norway's (Enders Samdi), the marchers stressed their solidarity with the Mutual Support Group [GAM] and their intention to join the GAM's demonstration tomorrow.

The international group arrived in various stages -- some from Tegucigalpa, some from Managua, and yet another group from San Salvador, where activities of various types were held.

The marchers for peace in Central America noted that the GAM represents (?the past) in Guatemala, which must not be forgotten.

The marchers said that they have arrived at crucial historic times in Guatemala, during which it is returning to constitutional rule. They expect the government of Vinicio Cerezo to become the hope for a better future and, as the Bible says, ye shall know them by their fruit. Everybody is watching the development of democracy in Guatemala.

The first activity held by the marchers on their arrival today was to attend a Catholic mass. The group will stay several days in Guatemala. They noted that they will go to Quetzaltenango on Wednesday, 15 January and leave for Mexico on the 17th via [word indistinct].

The international group includes representatives from Europe, the United States, Norway, and several European countries. [sentence as heard] It also includes two of the Mothers of the 5th May Plaza, one of whom is (Adelaida Corleone de Campos Quijano), spokeswomen for the mothers, who are looking for sons who disappeared after being arrested in Argentina.

HONDURAS

JOINT MANEUVERS WITH U.S. UNITS UNDERWAY IN YORO

PA140431 San Pedro Sula LA PRENSA in Spanish 13 Jan 86 p 4

[Text] Tegucigalpa -- The "Terencio Sierra" military maneuvers began last Saturday with the presence in the country of 4,400 U.S. soldiers. Its main operation, "Big Bear", is aimed at building 20 km of road between Puentecitos and Jocon municipality in Yoro Department.

We hope there will be a Central American parliament where we will be able to meet with our brothers to study the common rules of our peaceful coexistence and our economic and social development.

Within this context, we must reassert our willingness to support the Central American integration process. Upon stating our wishes for peace and gratitude for international solidarity, we wish to issue a special message to the Caribbean region, with which we have so many historical links. We hope to strengthen our relations and may our mutual hopes for peace and solidarity find the adequate means for an increased understanding and permanent collaboration. [applause]

Guatemalan people, friends of the world who accompany us, upon embarking on this road toward the construction of democracy and to turn our nation into a homeland, we need the help and respect of all. We will repay this with generosity, dignity, and humbleness. Our return to our house, a significant moment, brings back the memory of when -- following various attempts and failures -- our forefathers' gods chose what would become part of man's flesh: corn.

I would like us to see ourselves pictured in that simple and marvelous fruit [fruto]. A fruit in which each grain stands beside another one; each row of grains close to the others; and all together, in a natural harmony, pointing toward the heavens. None stands alone, all stand together, tightly together, in a solid unity which rises solidly in a multiple structure, shoulder-to-shoulder, always pointing toward the heavens, the light; with the hope of repaying the generous hands which guarded its existence with the richness, the food which it found in the womb of our land.

Guatemala, the homeland of the corn men, of poor hands and courageous hearts. We know, as a fellow citizen said, that the greatness of nations is not measured only by the material work they are capable of producing, but also by the courage and stoicism of its men when standing up to adversity.

Guatemalans, we have suffered enough and we have amply proved that we can stand up to adversity. Let us embrace this opportunity to advance, together, united in a tight unity like the corn that the Indian gods created for our flesh; and walk together the road to establish the government of the people, for the people, and with the people that we have been waiting for. [shouts, applause, cheers] In this search, in this search [repeats himself] we will never stop, except when it is necessary to humbly beg for a blessing from God, our Savior. Thank you. [applause]

ORTEGA SCORES U.S. AT 'FRUSTRATED' NEWS CONFERENCE

PA140351 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 14 Jan 86

[Text] Nicaraguan President Daniel Ortega Saavedra announced through the Nicaraguan Embassy in Guatemala that he would hold a news conference at approximately 1230 today [13 January]. According to the reporters who attended, the news conference was very irregular, disorganized, and labeled as a frustrated news conference. It is rumored that the news conference was rescheduled for Wednesday at 1000.

In a very short statement, Daniel Ortega praised the Central American Games, the peace games, which he declined to attend, and deferred to Vice President Ramirez Mercado.

The United States keeps the Central American peoples in slavery with its aggressive foreign policy and thereby threatens the stability of the area, said Daniel Ortega.

The U.S. troops are under the command of Colonel Robert Harts, and in the next few days 500 more soldiers are expected to arrive, totaling nearly 5,000 who will engage in parallel training activities with a Honduran force of 500 men specialized in engineering activities. U.S. military spokesmen affirmed that the presence of 5,000 U.S. soldiers in national territory responds to a request from the Honduran Government to carry out civic action tasks with training activities. The U.S. troops are from the National Guards of Alabama, North Dakota, Arizona, and California. In addition, there are several helicopters, specialized in troop and cargo transportation, and sophisticated equipment for the opening of roads, drilling wells, and other infrastructural tasks.

According to information released by the commander of the troops in Yoro, Robert Harts, they have spare equipment valued at $1 million. The U.S. troops are housed in 122 tents, erected near Jocon, which include office, storehouse, hospital, and kitchen intallations. The U.S. soldiers have 473 different construction units to build the road, which is scheduled to be completed on 1 June.

The command that is headquartered in Honduras today participated in a similar activity 2 years ago in Panama, where it built several roads and later turned over the completed projects to the Panamanian Government. The project will be supervised by the Secretariat of Communications, Public Works, and Transportation (SECOPT), which designed the road plans. There is also a command with a large number of bilingual military policemen who will establish contact with the communities located along the road under construction.

BRIEFS

1986 DRAFT BUDGET APPROVED -- The draft budget for 1986 for the Republic of Honduras was approved yesterday by the National Congress for a total of 1,886,072,887 lempiras. Here is the distribution: For the legislative branch, a total of 20,975,100 lempiras; for the judicial branch, 14 million lempiras; for the electoral tribunal, 8 million lempiras. The breakdown is as follows: Presidency of the Republic, 30,113,358 lempiras; government and justice, 15,036,785 lempiras; foreign affairs, 16,458,000 lempiras; defense and public security, 135 million lempiras; commerce and economy, 21,956,000 lempiras; public credit and the treasury, 43,550,000; attorney general of the Republic, 1,564,000 lempiras; public education, 355,003,300 lempiras; public health, 261,177,100 lempiras; tourism and culture, 6,160,000 lempiras; labor and social assistance, 24,525,000 lempiras; communications, public works, and transportation, 204,463,600 lempiras; natural resources, 113,990,444 lempiras; public debt, 549.8 million lempiras; and centralized executive branch public expenses, 64.3 million lempiras. [Excerpts] [Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 18 Dec 85 PA]

NICARAGUA

U.S. REJECTS RESUMPTION OF MANZANILLO TALKS

PA141408 Managua Radio Sandino in Spanish 1200 GMT 14 Jan 86

[Text] In a first negative reaction to the results of the meeting in Venezuela by foreign ministers of the Contadora and support groups, the U.S. Government yesterday rejected a call to resume talks with Nicaragua.

The foreign ministers of Mexico, Panama, Colombia, and Venezuela, members of the Contadora Group, as well as those of Peru, Brazil, Uruguay, and Argentina, which support the peace efforts for Central America, urged Washington and Managua to resume the dialogue they were holding in Manzanillo, Mexico.

However, White House spokesman Larry Speakes said the Reagan administration has no plans to resume talks with the Sandinist government. The United States suspended the talks unilaterally in January 1985.

U.S.-HONDURAN EXERCISES MASK WAR PLANS

PA141528 Managua BARRICADA in Spanish 9 Jan 86 p 3

[By Daniel Martinez]

[Text] The march for war has entered Honduras, and in addition, its delegate, Admiral William J. Crowe, Jr., chairman of the U.S. Joint Chiefs of Staff, has also arrived. In truth, the march for war has been continuously carrying out exercises in the neighboring country for a number of years.

It is no secret that the three armies that operate in Honduras profit from each U.S. exercise in the country. The U.S. soldiers profit because they get accustomed to the terrain and topography, similar to that of Nicaragua, for an eventual invasion.

In turn, Honduran soldiers receive armaments and advice on the infrastructure at the reasonable price of independence and sovereignty. The spokesmen of this warmongering stance are the so-called "freedom fighters," "defenders of democracy," and so forth, who do not succeed in concealing the counterrevolutionaries' mercenary and criminal nature.

What really counts at this time is that the U.S. exercise "Terencio Sierra," in which Honduran marines and soldiers will participate, will serve as cover for the U.S. engineers and their specialized agents to begin to prepare the infrastructure so the contras can get their new and powerful armaments.

Convinced that every time they infiltrate contras into Nicaragua, we sooner or later wear them out or defeat them, the Pentagon strategists have passed to another, accelerated stage of the war. Their plans? To turn the contras into an effective force for conventional operations with several types of weapons.

In theory, this should not be a problem, but we will see if they do not get bogged down. The Reagan government will begin to supply them with helicopters, aircraft, SAM-7's, and artillery with an eye on March, when the administration expects to pass from covert and "humanitarian" aid to open aid. By then the arms will be conveniently installed and at the disposal of the contras.

The next question is, then: Why this increased structuring of interventionism now?

It so happens that the year 1986 is crucial for the U.S. Democratic and Republican Parties. Congressional elections will be held at the end of the year and their results will serve as indicators for the 1988 presidential elections. Reagan will have the dilemma of arriving at the elections leaving to his successors a supposed "victory" against Nicaragua. According to analysts, this would guarantee a victory for the "new gringo right," which doesn't contain anything new except fascism.

However, if an intervention in Nicaragua were to fail or not obtain as much success as first expected, it would become a prolonged war that would become the target of the opposition's electoral campaign. Apparently, Reagan is not only determined to attack Nicaragua, but Angola and Libya too, among other places. He is looking for a new Grenada to increase his popularity ratings.

His doubt, then, is not whether to attack or not. His doubt lies in whether he will be able to achieve victory at a low cost and to make from this "military victory" an ideological victory that would guarantee an electoral triumph for his party.

The "Nicaraguan case" has become a very attractive trophy for the U.S. President. For this reason, he has accelerated the military preparations to help the counterrevolutionaries, and he has increased the aggressiveness of his verbal attacks and the ideological misinformation campaign under way in Honduras, which gives a semi-legal cover to the state terrorism practiced by Reagan and his associates.

Counterrevolutionaries are moving about the border with SAM-7 missiles in hand. Better arms are arriving in Honduras under the pretext of the ground maneuvers. While the political timetable is getting short for Reagan, the war continues under its own impetus.

All weapons against aggression is a historical need of the revolution in this year, 1986.

TIRADO LOPEZ SEES 'DIFFICULT YEAR' FOR REVOLUTION

PA131203 Bogota EL SIGLO (NICARAGUA HOY Supplement) in Spanish 8 Jan 86 p 1

[Text] Managua -- Victor Tirado Lopez, member of the FSLN National Directorate, has acknowledged that 1986 will be a difficult year for the Sandinist revolution. Addressing a group of reporters, Tirado said that "there has been a great change in the balance of military forces" as a result of the attack in which the Nicaraguan Democratic Front (FDN), using a SAM-7 missile, shot down a Sandinist helicopter with 14 people on board, who were all killed.

Tirado pointed out that the Sandinist Army's plans are to maintain a strength capable of defeating the FDN forces at sea, in the air, and on land.

Tirado predicted that for 1986, with the assistance of the United States, the FDN will try to double its forces and perhaps reach a total of some 35,000 men. Tirado also predicted that in 1986 the "counterrevolution" will be reduced to "its minimal expression," but said that he could not predict the rebels' total defeat because that would depend on "the amount of support they continue to receive from the United States."

In the political sphere, Tirado insisted that "the revolution has not been weakened by four years of clashes with the rebels," but he acknowledged that some sectors "have abandoned the revolution since 19 July 1979." "It is possible that we do not have the same unity we had on 19 July, but the main forces are still loyal," Tirado said.

Tirado also acknowledged the fact that unity between Latin America and the Sandinist revolution has been strained "because the political interests in the region have changed"; however, he refused to admit that the Sandinist government "is being isolated from the rest of Latin America." "I do not think that we have been isolated from or abandoned by Latin America. There are Latin American countries that have not abandoned us. There are others that might yield to U.S. economic pressures," Tirado commented. Tirado was particularly interested in stressing that the Latin American nations did not condemn the acquisition of the SAM-7 missiles by the FDN rebels, a fact that "promotes a climate for U.S. intervention," Tirado said.

"An invasion could occur tomorrow, or any day. The United States has made its allies believe that Nicaragua is the center of international terrorism," Tirado pointed out.

Tirado concluded by saying that Nicaragua does not intend to break diplomatic relations with the United States, even though Washington has practically declared war on the government of Managua. "I hope it is the United States that first breaks relations with us," Tirado said.

CONTRA LEADERS REITERATE DEMAND FOR TALKS

PA141359 Managua Radio Sandino in Spanish 1200 GMT 14 Jan 86

[Text] Following the declaration by the Contadora foreign ministers and their support group in Caraballeda, Venezuela, and taking advantage of the presence of Spanish Foreign Minister Francisco Fernandez-Ordonez in San Jose, Costa Rica, counterrevolutionary leaders Alfonso Robelo, Arturo Cruz, and Adolfo Calero, following orders from Washington, have reiterated their demand for a national reconciliation dialogue.

A document containing this petition was delivered to Fernandez-Ordonez last night. The Spanish foreign minister is touring Central America in conjunction with his attendance at the inauguration of Guatemala President-elect Vinicio Cerezo. Fernandez-Ordonez will visit Managua on Wednesday.

Former COSEP [Higher Council of Private Enterprise] President Robelo feels that Spain plays an important role in Nicaraguan political circles after recent talks held at the Spanish Embassy in Managua between Sandinist and opposition leaders. But this, of course, was denied by the embassy because it was a circumstantial conversation, which was thus informal.

However, Robelo told Spanish reporters accompanying Fernandez-Ordonez that that effort was left incomplete and nothing would happen if he [Ordonez] included in his topics of discussion with Nicaraguan President Daniel Ortega the crazy proposal of a reconciliation dialogue between the political and armed forces of Nicaragua.

PCD ACCUSES SPANISH EMBASSY OF 'MEDDLING'

PA150036 Hamburg DPA in Spanish 2007 GMT 13 Jan 86

[Text] Managua, 13 Jan (DPA) -- The Democratic Conservative Party (PCD), the first [words indistinct] to the Sandinist government of Nicaragua, has described the talks promoted by the Spanish Embassy in Managua with political groups in the country "meddling in domestic affairs." In statements on the radio program "The Thought" ["El Pensamiento"] aired by the private broadcasting station Radio Noticias, Rafael Cordova Rivas, head of the PCD and a member of the former government junta that concluded its duties last year, seriously criticized the efforts for "understanding" made by Spanish Ambassador Luis Cuero.

In the last months of last year the diplomat held joint interviews with leaders of the ruling FSLN, Social Christian Party, and Independent Liberal Party without making any "progress" in what some observers considered an attempt to create a "national dialogue."

Last week Cuero hosted a lunch for leaders of the Popular Social Christian Party. The subject of their conversations was not revealed. Cuero has stated his government's good intentions for achieving a "rapprochement" between the opposition and the Sandinist government.

FDN ADOPTS NEW CODE OF CONDUCT ON HUMAN RIGHTS

PA140012 San Jose RUMBO CENTROAMERICANO in Spanish 27 Dec 85 - 2 Jan 86 p 12

[Text] The Nicaraguan Democratic Force (FDN) recently prepared a new code of conduct to prevent any of its members from violating human rights in their struggle against the Sandinist regime.

In August 1984, the FDN, the main armed group fighting in northern Nicaragua against the Sandinist Peoples Army (EPS), issued its first code, which has been amended several times, to improve it and thus include situations not mentioned in the first one concerning the treatment that should be given to the enemy forces and the civilian population in the war areas.

The code was influenced by the Geneva Convention of 1949 and one of its additional protocols. The prologue states, among other things, that "each FDN member is obliged to adopt the military conduct of a war gentleman. There is no room for inflicting tortures on the enemy once he has been taken prisoner, and much less humiliating the defeated ones."

The prologue added that "each FDN member is very much aware of the fact that we are fighting a civil war that has been imposed on the Nicaraguans by the Marxist-Leninist system that enslaves the individual, denies the existence of God, and imposes war, tyranny, a state monopoly, the elimination of social classes, savageness among its members, and spiritual infanticide."

Carlos Rodolfo Icaza Espinoza, a lawyer, coordinated the preparation of the code presented by the FDN National Directorate, which admitted that mistakes were made and that the new rules of discipline seek to correct these mistakes.

In the past, the Sandinist government has charged that the Nicaraguan rebels violated some human rights, something the rebels have denied many times.

In various chapters the code defines the criminal actions or omissions that will be subject to punishment. Some crimes that violate the general principles of the humanitarian aspects of the war are considered "grave," and therefore the punishment is double. These include a dishonorable discharge from the movement, an arrest with the obligation to work for the FDN until the sentence is fulfilled, and the restriction of freedom [libertad]. Capital punishment is not authorized in any case.

The code of behavior includes the following:

-- The FDN commandos must always respect the civilian population in carrying out their military operations.

-- The captured enemy fighters, in this case from the EPS, and any civilian have a right to respect for their lives, dignity, personal rights, and convictions.

-- It is prohibited to kill or harm the enemy for any reason when not in combat, as well as to use weapons or methods of war that may cause useless losses or excessive suffering.

-- All attacks must be aimed against military targets and must not be aimed against the civilian population.

-- A special chapter is devoted to prisoners of war, and it is said that the prisoners must be turned over to the FDN and not to individuals or the troops who captured them.

The code of conduct also regulates the treatment that should be given to the wounded or sick enemies and establishes penalties for those violating these arrangements. Homicide, torture, and inhumane treatment are considered grave crimes as well as forcing individuals to serve the movement, undue appropriation and destruction of property, and any attack against civilians. It also stipulates punishment for those committing crimes against the integrity of persons, sexual harassment, treason, and disobedience.

The code also provides for specialized groups entrusted with watching over the observance of the regulations, and establishes a procedure that will administer justice in an "exemplary" manner for the remainder of the troops.

PSN, PPSC PROPOSE CONSTITUTIONAL TRIBUNAL

PA100037 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 9 Jan 86

[Text] The Nicaraguan Socialist Party (PSN) and the Popular Social Christian Party [PPSC] today expressed the need for a constitutional tribunal to watch over the constitution. It has been reported from the National Assembly that a plan to disseminate the future constitution will be discussed Friday. Both the PSN and the PPSC feel that the assembly should designate the persons to watch over the constitution. The two parties propose that the constitutional tribunal have exclusive jurisdiction over constitutional matters. The PPSC also feels that the constitutional tribunal would be competent to hear appeals, but with greater authority than the Supreme Court of Justice, and could sanction anyone found guilty of violating the constitution.

The constitution will begin to be debated in the Assembly in May. Discussions have been going on since August 1985. A plan to disseminate the constitution will be discussed at the National Assembly on Friday.

It has also been reported that the commission currently working on the draft constitution will request the use of the news media to explain to the Nicaraguan people the nature of the constitution.

EPS INFLICTS 157 CASUALTIES ON CONTRAS

PA150245 Managua Radio Sandino in Spanish 1930 GMT 14 Jan 86

[Text] The Sandinist People's Army [EPS] inflicted 157 casualties on the mercenary counterrevolutionary forces in the past week, according to information released by the Nicaraguan Defense Ministry.

The casualties included 115 dead, 33 wounded, and 9 prisoners, in various actions in six departments of the country.

The Defense Ministry reported in a communique that the clashes were a significant setback to the mercenary forces, particularly in the departments of Jinotega and Zelaya.

SOVIET UNION NAMES NEW AMBASSADOR TO HAVANA

FL150145 Havana Radio Rebelde Network in Spanish 0000 GMT 15 Jan 86

[Text] Today a USSR Supreme Soviet Presidium decree appointed Alexsandr Kapto the new Soviet ambassador to Cuba. Kapto will replace current ambassador Konstantin Katuchev, who was recently named chairman of the Soviet State Committee for Foreign Economic Relations.

Born in 1933, new Soviet Ambassador Kapto for many years headed Komsomol organizations and the Communist Party of the Ukraine. Since 1979 he has been a Central Committee member of the Communist Party of the Ukraine, alternate member of the Central Committee of the Communist Party of the Soviet Union, and deputy of the Ukranian Supreme Soviet.

FLAVIO BRAVO TO ATTEND L.A. PARLIAMENT MEETING

FL150205 Havana Television Service in Spanish 0100 GMT 15 Jan 86

[Text] Upon his arrival in Lima, Flavio Bravo, president of the National Assembly of the People's Government of our country, highlighted the importance of the Latin American Parliament directors' meeting beginning the day after tomorrow in that capital. The Cuban leader added that one of the most important aspects of that meeting will be the discussion of how to continue struggling against the foreign debt. He underscored the progress made in the recent Latin American Parliament special meeting on the subject, held in Montevideo, and said indebtedness is already an important political problem because of the seriousness of the crisis in the region.

Referring to the friendship between the Governments of Peru and Cuba, Bravo asserted he is carrying a message from Commander in Chief Fidel Castro to Peruvian President Alan Garcia and his compatriots.

ECUADORAN CONGRESSIONAL DELEGATION DEPARTS

FL141914 Havana Television Service in Spanish 1800 GMT 14 Jan 86

[Text] The Ecuadoran congressional parliamentarian delegation headed by Averroes Bucaram has left Cuba to return to Ecuador. The delegation was in Cuba at the invitation of the National Assembly of the People's Government. During their stay in Cuba the Ecuadoran parliamentarians met with government and state leaders, visited historical and economic areas of interest, and toured Cienfuegos Province.

GDR HIGHER EDUCATION MINISTER DEPARTS

FL141858 Havana Television Service in Spanish 1800 GMT 14 Jan 86

[Text] This morning Dr Hans-Joachim Boehme, Socialist Unity Party of Germany Central Committee member and GDR university and technical school affairs minister, departed Cuba to return to the GDR. Fernando Vecino Alegret, Cuban higher education minister, accompanied the high-level delegation to the airport.

During his stay in Cuba the German minister and his delegation toured educational centers and met with Jose Ramon Balaguer, member of the Central Committee Secretariat, and education and higher education leaders. The work developed between the two ministries during the last 5 years was termed productive.

MONTANE MEETS WITH NETHERLANDS DELEGATION

FL102244 Havana Radio Reloj Network in Spanish 2134 GMT 10 Jan 86

[Text] Jesus Montane Oropesa, alternate Politburo and Secretariat member, has met with a delegation of parliament members from the Kingdom of the Netherlands. A broad discussion was held in which various aspects of the international situation and the preparations our party is making before the third congress characterized the meeting, held in a very cordial climate.

The Netherlands delegation was pleased with a visit to Granma and was impressed by its development and with the tour to the Vado del Yeso community.

COSTA RICAN BUSINESSMEN TO DISCUSS TRADE

FL140032 Havana Radio Rebelde Network in Spanish 0000 GMT 14 Jan 86

[Text] Over 20 businessmen from 18 Costa Rican firms have arrived in our country to hold talks with Cuban officials and obtain a thorough understanding of the Cuban market and its possibilities. Attorney Juan Jose Echevarria, who heads the delegation, described the group as enthusiastic businessmen who believe there are possibilities of developing trade with Cuba.

As he welcomed the group of Costa Rican businessmen, Cuban Chamber of Commerce President Jose A. Garcia Lara asserted: We can work together in the area of commerce for the benefit of our people.

RODRIGUEZ MEETS WITH GEPLACEA OFFICIAL

FL150215 Havana Television Service in Spanish 0100 GMT 15 Jan 86

[Text] Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, today met with Eduardo Latorre Rodriguez, executive secretary of the Group of Latin American and Caribbean Sugar Exporting Countries [Geplacea]. Various aspects of the international sugar market were discussed, especially the situation the countries of the region are facing because of a U.S. reduction of imports and its protectionist policies.

Mr Latorre explained the preparations being made for Geplacea's next plenary meeting, to be held in Rio de Janeiro in October 1986.

1985 AGRICULTURAL PRODUCTION INCREASES 10 PERCENT

FL141232 Havana Radio Progreso Network in Spanish 1200 GMT 14 Jan 86

[Text] During 1985 peasant production of agricultural products increased by 21 million quintals; that is, 10 percent more than 1984. This was reported by Pedro Roche, Central Committee member and first vice president of the National Assembly of the People's Government, during the closing of the seventh national meeting of agricultural sciences in Havana.

FISHING MINISTRY RECORDS 7-PERCENT GROWTH

FL141242 Havana Radio Progreso Network in Spanish 1200 GMT 14 Jan 86

[Text] Accumulating approximately 380 million pesos during 1985, the Fishing Industry Ministry achieved its annual production plan by 101 percent and registered the highest figure in its history, which is equal to growth of 7 percent compared to 1984. The fishing ministry also satisfactorily completed its program of fishing, exporting, and distribution in the last 12 months.

DEFECTOR SANCHEZ NOTES GOVERNMENT CHANGES

PA102248 Panama City LA PRENSA in Spanish 10 Jan 86 p 15 A

[Article by Manuel A. Sanchez Perez, former Cuban vice government minister, entitled "Changes in Power Structure in Cuba," published by FIRMAS (not further identified) in Madrid: no date given]

[Text] Madrid -- Reports about substantial changes in the Cuban Government's upper echelons have been received in the last few days. What are the reasons for these movements? Internal purges? Changes in work guidelines? Simple replacements of inefficient officials? In the first place, it must be noted that top leaders of the Cuban Communist Party [PCC] are deeply concerned about finding appropriate replacements to guarantee the perpetuation of the regime.

The first stage of what was initially a genuine revolutionary movement has already been consolidated. Economic, political, cultural, and social structures have been changed on the basis of a single official ideology and a very powerful and efficient military. This process has been carried out by the so-called historical leaders (founders of the 26 July Movement that overthrew the Batista dictatorship), and it is now necessary to seek new formulas to keep it going. New men are required to do so, however, because, in the first place, the current leaders of the Cuban process are no longer the youthful and impetuous boys they were years ago, and some are showing signs that they are losing their faculties.

In the second place, it must be borne in mind that the so-called historical leaders have been useful to the system during this stage, because what it required of them was, above all, discipline and absolute loyalty and obedience to the plans and guidelines drawn up by its paramount leader, Fidel Castro, the one and only architect of the imposed transformations. However, the new stage that is approaching or expected requires something more than unquestioning executors. The problem is that this new generation is nowhere to be seen.

On the one hand the quarries that traditionally provide the blue-ribbon political cadres to replace the leadership in communist countries and its youth organizations have not given, either individually or as groups, any serious indication that there will be adequate replacements. Besides, the newly graduated technicians do not seem to have such a strong ideological and political commitment as the old ones and apparently want changes, which deeply worries the current top leadership because of the ideological implications.

Top Cuban Government echelons are thinking of making substantial changes in the party and government structures. The changes may even mean a formal separation, for the first time in Cuba, of the posts of first party secretary and prime minister, the latter which has been assigned to Fidel's brother, Raul Castro.

The failure to reach agreement on such important issues has led, among other things, to the spectacular 2-month postponement of the third PCC congress. Isolated decisions in response to specific situations are being adopted meanwhile, until agreement is reached. Let us look at some specific cases:

Antonio Perez Herrero: Head of the ideological front in the top party body and member of the Politburo, Herrero was replaced because of his ostentatious personal behavior in public, which exceeded even the bounds permissible to top-ranking leaders.

Humberto Perez Gonzalez: Although he is not a member of the group of historical leaders, Perez Gonzalez rose spectacularly from a position as university professor to the post of president of the Central Planning Board (top Cuban economic office) in 1976 and to member of the Politburo in 1980. He was expected to perform miracles which were not possible in an economy that is totally subordinated to the need to maintain a high "ideological purity," in which, by definition, will, total centralization, and a most preposterous bureaucracy prevail. In the end, he was held responsible for all the mistakes (just like all former presidents of this organization), and he was abruptly replaced.

Guillermo Garcia Frias: He has a historical background, as he promoted the peasants' incorporation into the revolutionary struggle in Sierra Maestra. He is commander of the revolution (an honorary post that only five men currently hold in Cuba) and was transportation minister until recently. He has failed in almost all the responsibilities assigned to him. During his latest assignment as transportation minister, the situation became so chaotic that not even his historical prestige prevented his removal.

Sergio del Valle: Another historical fighter in Sierra Maestra, member of the Politburo, former minister of interior, and until a few days ago minister of public health. Due to his lack of charisma and administrative stamina, he lacked the necessary dynamism to direct an activity on which the Cuban system bases its foreign image.

Ramiro Valdez Menendez: The fourth man in the Cuban hierarchy, member of the Politburo of course, and minister of the powerful and dreaded Interior Ministry. This ministry was initially conceived as a system that was aimed almost exclusively at defending the revolution from external and internal counterrevolution. However, the sustained growth of so-called common crime, which has reached quite alarming levels, has made it necessary to divide the current ministry in two: one side for the classic intelligence and espionage activities, as well as helping the subversive groups, and another to attend to domestic and nonpolitical matters.

In view of this alternative, and considering that Juan Almeida, the third man in the Cuban hierarchy, who is also chairman of the PCC Control and Revisions Committee, the organ that controls and evaluates all the party's militants, is very ill, it seemed logical that Valdes would replace him in this important post.

These are the fundamental reasons for the recent changes within the elite of the Cuban Party and Government.

The process, however, is not over. The increasingly discouraging situation of the Cuban economy, which is currently strangled by a system devoid of incentives, will demand new public victims in order to blame, not the system, but the men who direct it for the failures.

GUYANA

HOYTE DISCUSSES CHURCH-STATE RELATIONS

FL141408 Bonaire Trans World Radio in English 1130 GMT 14 Jan 86

[Text] Church-state relations continue to be news in Guyana. A leading member of the church in Guyana has quoted President Desmond Hoyte as saying that the local church should be free to relate with objectivity and integrity to matters of a moral, social, and spiritual nature. The head of the Moravian Church in Guyana, Reverend Gordon Richman, who is also chairman of the Guyana Council of Churches, met with [words indistinct] President Hoyte in Georgetown. Rev Richman, who is among local church leaders whose homes were searched by [words indistinct] issued a statement on the meeting to clarify reports which were carried in the state-owned newspaper under the headline "President Hoyte and Moravian Church Leaders Agree To Cooperate". In his statement, the Rev Richman said the meeting came after the church of the Moravian met. [as heard] According to Rev Richman, President Hoyte explained to him that Guyana is a country of many religious faiths [words indistinct] freedom for all of us. Rev Richman also quoted Mr Hoyte [words indistinct] adding that instructions had been misunderstood.

PARAGUAY

MINISTER ON 'UNANIMOUS' SUPPORT FOR STROESSNER

PY141550 Asuncion ULTIMA HORA in Spanish 13 Jan 86 p 11

[Text] "The entire Colorado Party and all its support organizations as well as its 228 local branches have spoken in favor of asking President Stroessner to continue in the Lopez Palace. So we can hardly say that any member of the Colorado Party, or of its Executive Board, or of its branches is not identified with the policy of tranquillity, peace, progress, and development being followed by General Stroessner's Colorado government." This was the comment Dr Sabino A. Montanaro, interior minister and first vice president of the Colorado Party Executive Board, made this morning when he referred to the support the Colorado Party members grant to the president of the Republic.

"That is a hypothesis (the lack of Colorado Party support for General Stroessner) which the ones who intend to divide our fellow party members are trying to spread, but they will not get anywhere with it, because General Stroessner's prestige and the solidarity of the Colorado Party members with President Stroessner is unanimous and 100 percent," said Dr Sabino Augusto Montanaro in another part of the interview.

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MINISTERS SUPPORT CONTADORA DECLARATION

PA151332 Managua Domestic Service in Spanish 1300 GMT 15 Jan 86

[Declaration issued by the Central American foreign ministers in Guatemala City on 14 January -- read by announcer]

[Text] The foreign relations ministers of Central America, meeting in Guatemala City on the occasion of the inauguration of President Vinicio Cerezo, and after holding a working meeting with the foreign ministers of Colombia, Mexico, Panama, and Venezuela, members of the Contadora Group, and with the foreign ministers of Argentina, Brazil, Peru and Uruguay, members of the Support Group, issue the following Guatemala Declaration:

1. The ministers of foreign relations of Central America, who are meeting for the first time with the foreign relations ministers of the Contadora and Support Groups, during an occasion deemed to be of major importance to the overall peace process in the region, have received from the ministers of eight Latin American countries the Carabelleda document for peace, security, and democracy in Central America.

2. Upon studying the Caraballeda document for Central American peace, security, and democracy, the foreign ministers of Central America have agreed to express our adherence to the principles and purposes contained therein, reiterating our countries' commitment to achieve peace and stability through the Contadora document for peace and cooperation in Central America.

We feel that by expressing our adherence to the initiatives and proposals contained in the Caraballeda document, the climate of mutual trust that will permit reaching peace and cooperation in Central America will be generated.

3. The foreign relations ministers of Central America feel, and so acknowledge it, that the meeting of 13 Latin American representatives held in Guatemala City, as the means to find solutions for the region's problems, is an auspicious event that will contribute to consolidating the democratic future of all our countries.

We sign this declaration in Guatemala City, on 14th of January of 1986, the International Year of Peace.

Signed by the five Central American foreign ministers, in support of the Caraballeda document.

ALFONSIN TERMS KENNEDY VISIT 'SIGNIFICANT'

PY150227 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 15 Jan 86

[Video showing Argentine President Raul Alfonsin seated at table surrounded by reporters on 14 January -- recorded]

[Text] [Alfonsin in progress] Yesterday I already thanked Senator Edward Kennedy for the visit he is paying to our country, although this is not the first time he has visited. It has already been said that he is a friend of Argentina and a friend of democracy in the Americas. Therefore, we are very pleased to have him among us not only because of his importance at the continental political level and in U.S. politics, but also because as he has reminded us with the present he offered, [a bust of President Kennedy] he reminds us of President Kennedy who worked to achieve the alliance and development of our region.

Therefore, in view of the difficult times and the economic hardships we are experiencing and in view of his conviction that we must work for peace, for the development of the region, and for the fair treatment of those problems affecting our nations, Senator Kennedy's presence in our country is highly significant.

DC PARTY DECLARES ROCKEFELLER 'PERSONA NON GRATA'

PY141810 Buenos Aires TELAM in Spanish 2154 GMT 13 Jan 86

[Text] Buenos Aires, 13 Jan (TELAM) -- The Argentine Christian Democratic Party [DC] Executive Board has declared David Rockefeller persona non grata, stating that he is one of the most important representatives of capitalism. The DC says that Rockefeller is responsible for most of our economic and cultural losses [words indistinct] as well as for the enforcement of cruel dictatorship and the social injustice prevailing among most of the Latin American countries.

In a document signed by party Vice President Alberto Aramouni, the DC [word indistinct] a national solution that cannot be other than a confrontation with the international bank and the search for national unity, freedom, and growth with social justice.

CAPUTO TO VISIT USSR, HUNGARY IN LATE JANUARY

PY152156 Buenos Aires DYN in Spanish 2040 GMT 14 Jan 86

[Excerpt] Buenos Aires, 14 Jan (DYN) -- Argentine Foreign Minister Dante Caputo will pay an official visit to the Soviet Union in late January in response to an invitation extended by the Soviet Government. The announcement was made on 13 January in Moscow by the official news agency TASS, and in Buenos Aires by the Argentine Foreign Ministry.

Although neither of the announcements mention the specific date of Caputo's visit, it is believed that he will leave Buenos Aires on 25 January and arrive in Moscow on 27 January. The Foreign Ministry announcement did not mention the visit that Caputo will pay to Budapest, Hungary on 30 and 31 January after his 4-day stay in Moscow.

Carlos O. Keller Sarmiento, Argentine ambassador to Hungary, is now in Buenos Aires to discuss Caputo's trip to Budapest.

In addition to other issues, Caputo will discuss during his stay in Moscow details of President Raul Alfonsin's forthcoming trip to the USSR, scheduled for June. Despite Argentina and the USSR's different political ideologies, relations between the two governments are normal. Caputo's visit to the USSR is the first visit of an Argentine foreign minister to that country since the two countries established diplomatic relations 100 years ago.

AREA SUMMIT PREPARATIONS UNDERWAY; NO DATE GIVEN

PY152007 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1510 GMT 15 Jan 86

[Text] Buenos Aires, 15 Jan (NA) -- Government sources have finally admitted that "preliminary preparations" are being made for a summit in February of the Argentine, Brazilian, and Uruguayan presidents. The sources stated that the preparations are being made by the foreign ministries of the countries involved and emphasized that President Raul Alfonsin is interested in the summit.

The meeting of Alfonsin, Brazil's Jose Sarney, and Uruguay's Julio Maria Sanguinetti will reportedly be held in February -- on a date yet to be determined -- in Montevideo. The sources revealed that the date of the summit, at which the Latin American foreign debt issue will be discussed, has been reviewed by Foreign Ministers Dante Caputo, Olavo Setubal, and Enrique Iglesias in Caracas and Venezuela.

The foreign ministers participated in a Contadora Group meeting in Caracas and attended President Vinicio Cerezo's inauguration in Guatemala.

The sources felt that once the preparations jointly being made by the foreign ministries are completed, an announcement will be made in the next few days in accordance with protocol.

BRIEFS

NEW PERUVIAN AMBASSADOR -- Alfonso Grados Bertorini, the new Peruvian ambassador to Argentina, today presented his credentials to President Raul Alfonsin in the presence of Foreign Minister Dante Caputo and Argentine Ambassador in Lima Anselmo Marini. The new ambassador said that President Alan Garcia feels honored by the invitation to visit Argentina, and that the best date for the visit is still being discussed with Minister Dante Caputo. [Summary] [Buenos Aires TELAM in Spanish 1906 GMT 7 Jan 86 PY]

INFLATION RATE FIGURES -- The National Institute of Statistics and Census has reported that in December the cost of living (retail prices) went up 3.2 percent, wholesale prices 1 percent, and construction costs 0.2 percent. The figures for the whole year of 1985 were: cost of living 385.4 percent, wholesale prices 363.9 percent, and construction costs 279.8 percent. [Summary] [Buenos Aires TELAM in Spanish 2029 GMT 7 Jan 86 PY]

MILITARY INDUSTRIES PRESIDENT -- Buenos Aires, 14 Jan (DYN) -- The executive branch has designated Jorge Carnelli as the new president of Military Industries. It has been stated that he will receive no salary for this new post. Carnelli is the under secretary of production for defense of the Defense Ministry. [Summary] [Buenos Aires DYN in Spanish 1511 GMT 14 Jan 86 PY]

MILITARY REPORTEDLY ON 'STATE OF EMERGENCY'

PY152132 Paris AFP in Spanish 2049 GMT 15 Jan 86

[Text] La Paz, 15 Jan (AFP) -- The Armed Forces commander has placed all military personnel on a state of emergency in the face of the social unrest prevailing in Bolivia, it was reported today by sources of the General Staff.

The main objective of this military decision is to prevent possible actions designed to destabilize the democratic process, the sources said. It has also been reported that the military personnel, who are patrolling the highway from La Paz to Oruro (Oruro is located in an area adjacent to several mining districts) with tanks and armored vehicles, are discharging their specific duties of carrying out operations anywhere within the national territory.

Defense Minister Luis Fernando Valle has stated that the Atacama-based Calama Regiment is performing national security functions by complying with its constitutional duty of keeping the entire national territory under control.

FURTHER ON CONFIRMATION OF PLANNING MINISTER

PY150201 La Paz Cadena Panamericana in Spanish 0000 GMT 15 Jan 86

[Passages within quotation marks recorded]

[Excerpt] President Victor Paz Estenssoro has confirmed Planning Minister Guillermo Bedregal, who had resigned over the weekend. The announcement was made by Minister Bedregal himself.

[Bedregal] "Yes, it is an honor for me that the president has confirmed me as planning minister. I feel deeply indebted and committed to the work I have undertaken within the economic program. The president has also agreed to major observations I have made on the management of the state, on the current critical situation, and on the need for major changes in the administration."

The minister added that it is not the policy of Bedregal but that of the MNR [Nationalist Revolutionary Movement] which has been questioned. He also said that his confirmation entails the complete moral support of the president.

[Bedregal] "I believe so, I believe so. Yet is is the policy of President Paz Estenssoro and not of Minister Bedregal [words indistinct] the policy of President Paz Estenssoro, of the MNR and, to some extent, the policy of its allies in Congress."

Bedregal said that on confirming him, the president accepted his proposal to adjust the current economic policy, which calls for urgent supplemental measures. Asked about the measures that will be adopted, the minister replied:

[Bedregal] "[Words indistinct] to announce major changes. The measures will be made public after they have been approved by the government, because even though one may have good, intelligent initiatives, they must be debated and improved by the government, which will then propose new laws and measures. We will always support our anti-hyperinflationary policy, however, and the reactivation of production."

EXECUTIVE BRANCH APPROVES 1986 BUDGET

PY151444 La Paz Cadena Panamericana in Spanish 1130 GMT 15 Jan 86

[All figures as heard]

[Text] During a Cabinet meeting yesterday, the government approved the 1986 general budget. In fact, the budget was approved and, after a few hours, sent to the Congress for discussion. The legislative branch now has to authorize the 1986 general budget.

Concerning this issue, Finance Minister Roberto Gisbert has supplied detailed information, stating that the budget is realistic and that it conforms to the austerity necessitated by the national situation.

Here are the figures summarizing the 1986 general budget:

Current revenues	4,283 trillion Bolivian pesos
Current expenditures	3,6 trillion Bolivian pesos
Capital account deficit	1,076 trillion Bolivian pesos
Total deficit	393.7 trillion Bolivian pesos
External credit	378.7 trillion Bolivian pesos
Deficit in terms of the GDP	5.6 percent
Cumulative growth rate	3 percent

Concerning the national Treasury, here is the budget and the concrete data:

Current revenues	1,586 trillion Bolivian pesos
Current expenditures	1,113 trillion Bolivian pesos
Current account surplus	472 trillion Bolivian pesos
Capital inflow	53.2 trillion Bolivian pesos
Capital expenditures	520 trillion Bolivian pesos
Total deficit	$47.6 billion
Current revenues ratio to GDP	60 percent
Current expenditures ratio to GDP	50.58 percent

The national budget has been sent to the Congress, which has the final word concerning its approval.

BRIEFS

SPANISH CONTRIBUTION -- During a meeting with Vice President Julio Garret Ayllon, the Spanish ambassador to Bolivia, Tomas Lozano Escribano, announced that Spain will accelerate the payment of its $20-million contribution to the UN-sponsored emergency fund for Bolivia. [Summary] [La Paz Cadena Panamericana in Spanish 0000 GMT 15 Jan 86 PY]

O GLOBO: NUCLEAR MISSILES POSSIBLE IN 5 YEARS

PY150013 Rio de Janeiro O GLOBO in Portuguese 13 Jan 86 p 14

[Text] Brasilia -- Brasil could have nuclear missiles in 5 years. A space science cooperation agreement signed with the PRC last year will make it possible for Brazil to develop solid-fuel offensive missiles with nuclear warheads, which are technologically similar to missiles manufactured in the United States in the 1960s.

Under that agreement, Brazil will transfer solid-fuel technology to the PRC. In return, the PRC will transfer to Brazil advanced technology on liquid fuels and rocket-guidance systems that have been developed in the past 20 years. With the PRC technology and fuel, Brazil could manufacture a nuclear missile in a few years.

At present, the PRC nuclear shield is composed of liquid-fuel missiles, capable of hurling heavy payloads at greater distances than those possible with solid-fuel rockets. Their drawback, however, is that the liquid-fuel rockets cannot be safety stored because the liquid fuel is unstable and can explode easily. The difference in launching time between the liquid-fuel and the solid-fuel rockets is noticeable. A Minuteman III, one of the most modern U.S. missiles, can be launched in 2 minutes, while the CPR-SSBM-1-N, as the most powerful PRC missile is called, requires 20 minutes, minimum.

In 20 minutes, a ballistic missile travels half the distance of the earth's circumference, so the PRC atomic shield is militarily ineffective.

The Brazilian solid-fuel would make a difference for the Chinese. In return, the program being developed by the National Institute of Space Research in Brazil will gain an appreciable advantage: A rocket that is capable of carrying a 1,000-kilogram satellite up to operational altitudes.

The cooperation agreement has a military aspect that is important, because the space rocket guidance system with minor modifications can be used for offensive missiles. If this guidance system is added to the solid-fuel know-how the Aerospace Technology Center (CTA) has developed, Brazil will have missiles that are accurate enough for military use.

This plan however, has two obstacles: in Brazil there is no enriched uranium or plutonium for the manufacture of an atomic bomb, which is not under the control of international organizations, and the Brazilian Government has no intention of developing, through the Armed Forces, specific research with this goal in mind.

The Navy Research Center, in cooperation with the Institute of Nuclear Research of Sao Paulo University, is working on a process of enriching uranium through laser rays. The material obtained would be used in a nuclear submarine carrying torpedoes and antiship missiles. So far, the practical results obtained have been few, although the project for a 12-megawatt naval reactor has been completed.

The Air Force enriches uranium in Sao Jose dos Campos by ultracentrifugation methods. The idea is to use this process to manufacture fuel for the artificial satellite which will be launched from the Alcantara base in Maranhao, in 1987.

According to nonofficial data leaked by the CTA, this process of producing enriched uranium is already economically feasible, with even greater productivity than the fuel sold by the Kraftwek Union to Brazil through a nuclear agreement signed with FRG at the end of the Geisel administration.

On the other hand, the Army is trying to produce fission nuclear reactors, using plutonium as fuel, according to the newest pure physics techniques.

Of all these programs, only that of the Air Force could have any impact on the production of a nuclear device. However, according to nonofficial sources, this could only be done if a nuclear power appeared in the Southern Hemisphere -- read Argentina and South Africa.

Only in these circumstances would the CTA, which is not under international control, begin to produce solid-fuel missile warheads, based on the VLS -- The Brazilian space rocket -- which will be launched in 1987.

RADIO REPORTS RECENT FLOOD, DROUGHT DAMAGE

PY150136 [Editorial Report] Brasilia Radio Nacional da Amazonia in Portuguese on its 0900 GMT newscast carries the following report on the situation created by the drought in the State of Rio Grande do Sul:

Due to the drought in the state, 14 cities have been declared in a state of public calamity, and 30 municipalities are having their water and electricity rationed. The worst situation is being experienced in the city of Santa Maria, 300 kms from Porto Alegre. Its water supply has been cut to 2 days per week, and the city runs the risk of running out of water in 10 days.

The rain that fell this weekend gave farmers hope that the corn and soybean crops might be saved. The meteorology service is predicting more rain today. In Uruguaiana, on the border with Argentina, the idea of rice planters to contract technicians and agents to produce artifical rain panned out: It rained up to 150 millimeters in some regions. The Bandeirante plane of the [name indistinct] company carried out the first cloud-seeding operation on Saturday afternoon and was successful in the first attempt. Heavy rains were produced on Sunday, 20 minutes after the clouds were seeded wiht sodium chloride.

The newscast further reports that the problem in the northeast region is too much rain. In Minas Gerais, 1,400 people are homeless on account of the unceasing rains. Also, 14 houses have been destroyed, 36 bridges damaged, and 8 municipalities decleared in state of emergency. The situation is worst in Pone Nova, 190 kms from Belo Horizonte, where damage has been estimated at more than 3 billion cruzeiros.

In the state of Bahia, continued rains are responsible for making more than 30,000 people homeless. The federal government will spend more than 50 billion cruzeiros to assist the population in the area affected by the downpours.

In Aracaju [as heard], the Sobradinho Dam overflow has reached 6 cubic meters per minute, thus increasing the risk of more flooding along the lower Sao Francisco river. The CODEVASF [Sao Francisco Valley Development Company] has already made plans to alert the population in case of danger.

REPORTAGE ON KENNEDY ARRIVAL, MEETINGS

Arrival in Santiago

PY152051 Santiago Domestic Service in Spanish 1630 GMT 15 Jan 86

[Text] Upon arriving in Chile this morning, U.S. Senator Edward Kennedy publicly admitted that the Chilean future must be built exclusively by Chileans. Kennedy arrived in his private plane with his sisters (Jean) and Pat, who smiled at reporters.

At the airport, Ted Kennedy was welcomed by U.S. Ambassador Harry Barnes and other U.S. Embassy officials. After several minutes, Kennedy read a speech in which he said: Even though my stay will be very short, I am sure it will be exciting and very interesting.

Kennedy recalled his visits to Brazil, Uruguay, and Argentina, and added: Through these visits, we, the U.S. citizens, can learn from you and also solve the deep economic crisis affecting Latin America.

Among other issues, Kennedy referred to the Chilean political situation, and said that the Chilean future must be built exclusively by Chileans.

[Begin Kennedy recording in English, in progress] ...who says, that by coming to Chile, I am meddling in the affairs of a foreign nation, a sovereign country. First, the future of Chile will and should be determined by the people of Chile. The burden is yours and yours alone. [end recording]

After reading his speech, Kennedy headed for downtown Santiago. However, demonstrators did not allow him to leave the airport. After waiting for 2 hours, he had to leave by helicopter.

First he visted the Children's Rehabilitation Center and the Spanish Club, where he met Cardinal Raul Silva Henriquez.

Senator Kennedy is now at the Spanish Club, holding the meetings included in his agenda.

Demonstrations At Airport

PY151522 Paris AFP in Spanish 1503 GMT 15 Jan 86

[Text] Santiago, 15 Jan (AFP) — U.S. Democratic Senator Edward Kennedy, who today arrived in Chile on the most delicate leg of his South American tour, was forced to use a helicopter to leave the Santiago international airport, where groups of counterdemonstrators had blockaded him for 2 hours.

The counterdemonstrators, who support President Augusto Pinochet's military regime, parked their cars on the access road to the airport and formed a barricade that prevented Kennedy and those accompanying him from continuing their trip toward downtown Santiago.

The U.S. congressman, who during his visit to Chile will not be received by any government officials, managed to leave the airport terminal aboard a helicopter of the militarized Carabineros police amid a tense atmosphere before dozens of journalists, international correspondents, and television cameramen.

Jaime Castillo, the president of the Chilean Human Rights Commission, was injured during the incident. The car of Christian Democratic leader Gabriel Valdes was also attacked with clubs and stones. However, no arrests were reported among the demonstrators.

Kennedy Car Damaged

PY151726 Buenos Aires Domestic Service in Spanish 1600 GMT 15 Jan 86

[Relay from Santiago by international secretary of the Chilean Human Rights Commission, Gonzalo Taborga]

[text] Senator Edward Kennedy landed in Santiago at 0945 this morning, 15 January. After Kennedy, his two sisters, and the members of his entourage were greeted, the U.S. senator made a public statement before the large number of newsmen and correspondents of foreign news agencies who were present at the airport.

On the way to downtown Santiago, about 1,000 meters from the airport where the road goes around the south end of the airfield and where the Carabineros traffic control station is located, in the presence of a large detachment of Carabineros especially prepared to maintain order, the U.S. Embassy cars, one of them occupied by Senator Kennedy, and the cars transporting members of the Chilean opposition and the directors of the Chilean Human Rights Commission were attacked by a group of people carrying sticks and stones. The attack was violent enough to cause injuries to the officials riding in those cars. Senator Edward Kennedy was not hurt, but the rear window of the U.S. Embassy car was broken.

The car with the U.S. senator then returned to the airport, where a Carabineros helicopter transported him to the operations center that has been set up for his visit, the Circulo Espanol on Benardo O'Higgins Avenue.

We have seen that the UDI [Independent Democratic Union] and the MAN [National Vanguard Movement], the pro-government civilian terrorist organizations, have made preparations to arouse the population against this illustrious visitor. The program that Senator Kennedy was to follow at the headquarters of the Chilean Human Rights Commission will be transferred to the Circulo Espanol, where all the people -- between 100 and 200 -- and human rights workers of the Solidarity Vicariate and the Chilean Human Rights Commission can go to greet Senator Kennedy and hear him. This change was dictated by security reasons.

Alleged Government Involvement

PY160143 Madrid EFE in Spanish 2156 GMT 15 Jan 86

[Text] Santiago, 15 Jan (EFE) -- Foreign Minister Jaime del Valle today described as "unfair and hasty" the allegation by an adviser of Senator Edward Kennedy that the demonstrations today against Kennedy had been organized by the Chilean Government.

Gregory Craig, Kennedy's adivser for foreign affairs, today told newsmen that the U.S. Embassy in Santiago had proof that the counterdemonstrations staged today had been planned and organized by people within the Chilean Government. Opposition leaders, who were going to the airport to welcome Kennedy, were attacked today during incidents that took place on access roads to the airport. In view of this and after a 2-hour standoff, the police took Kennedy out of the airport by helicopter.

Del Valle said: "We are waiting to see the evidence they claim to have about the government's involvement in organizing all this, a charge that I regard as absolutely absurd."

Regarding Craig's charge that Carabineros policemen stood idly by watching the demonstrators, Del Valle said: "I told the U.S. ambassador that the government has not only authorized the entry of Senator Kennedy, but that it would also take every measure needed to provide for his security."

Del Valle said he did not know about "the difficulties" Kennedy had had upon his arrival in Chile or about "the role played by the police, but I can assure you that the government has made a commitment and that, as usual, it will honor this commitment."

'Absurd' Charges Rejected

PY151837 Santiago Domestic Service in Spanish 1630 GMT 15 Jan 86

[Text] President Augusto Pinochet has given specific instructions to protect U.S. Senator Edward Kennedy. This information was supplied by Foreign Minister Jaime del Valle, who commented on the visit by the U.S. lawmaker. Del Valle said that the statement by a U.S. diplomat that the government had allegedly planned to sponsor counterdemonstrations is unfair and absolutely absurd. On the contrary, he said, the government has guaranteed Edward Kennedy's security.

[Begin Del Valle recording] I am personally aware of the instructions the president gave to the security agencies to allow Senator Kennedy to enter the country and to protect him. This presidential (?order) was reiterated. I believe that one of the reasons for the trip the president took to Santiago on 13 or 14 January was to make sure that his orders had been complied with. [end recording]

Del Valle also said that he has told U.S. Ambassador Harry Barnes that the government will guarantee not only the U.S. senator's entry to Chile but also his security during his stay in our country.

[Begin Del Valle recording] We are waiting to see the evidence that he claims to have proving that the government organized [words indistinct] absolutely absurd. [end recording]

The foreign minister also condemned violence.

[Begin Del Valle recording] I have always opposed violence; therefore, just as I have criticized terrorist and subversive violence, or the violence promoted by the opposition during some demonstrations, I will also criticize the violent actions that may have been staged today. I am not aware of any specific event, but if there was violence, I will condemn it, just as I have condemned violence from other sources. [end recording]

Concerning the human rights issue, the foreign minister reiterated the Chilean position on the subject. He recalled all the efforts being made to normalize the situation, particularly that of exiles, before international agencies.

UDI Denies Participation

PY152146 Santiago Radio Chilena in Spanish 1630 GMT 15 Jan 86

[Excerpts] German Molina, secretary of national affairs of the Chilean Human Rights Commission, saw the attacks carried out against Jaime Castillo and Maximo Pacheco Gomez. This is how Molina described the attacks.

[Begin Molina recording] We would like to report the cowardly attack against Jaime Castillo, president of the Chilean Human Rights Commission, and Maximo Pacheco, the commission's vice president, as they left Pudahuel International Airport.

As they left the airport in a car driven by Maximo Pacheco, a mob violently attacked the car with sticks and stones. The mob also threw other objects at the car. Members of the Carabineros who were in that area did not intervene to prevent the attacks. There were many policemen in the area but they did not intervene; therefore they appeared to be accomplices in the attack. The car's window was hit with various objects, and then a stone thrown with great force broke the window and hit Jaime Castillo in the neck. He was also showered with broken glass, but was only bruised. [end recording]

Fortunately, Castillo was not seriously injured. Javier Diaz, vice president of the Republican Party, who was riding alongside Gabriel Valdes' car, also gave details of the attack against Valdes.

[Begin Diaz recording] After we crossed a police checkpoint about 600 meters inside the airport, we ran into a crowd of about 200 people blocking the road and carrying signs against Senator Kennedy. The car tried to go through the crowd. I would like to point out that there was a busload of Carabineros at this point. There was a police car and also a police helicopter flying over the area. The car in which Valdes was riding was attacked with sticks and eggs. I saw Gabriel Valdes come out of the car looking grim. The car looked pretty bad from being hit by sticks and kicked. Armando Jaramillo, the president of the Democratic Alliance, was in the car behind us. We were able to withdraw from the mob after an exchange of words. We were not protected by the Carabineros, who did not intervene during the attacks except when they threw two or three teargas cans. I was hit by a demonstrator. [end recording]

This report is part of what happened at Pudahuel Airport this morning.

Ignacio Astete, leader of the Independent Democratic Union, UDI, denied the participation of his party in the demonstrations against Senator Kennedy at the Santiago International Airport. However, members of Social Democracy and the Republican Party said that demonstrators were carrying UDI signs. When Astete was asked about his party's participation in the demonstrations against Kennedy, he was rather surprised. Although Astete explained that he was not aware of the events, he denied that his party participated because it respects the opinion of others.

Armando Jaramillo, president of the Republican Party, also described the events after welcoming Kennedy at the Santiago International Airport. This is what he said:

[Begin Jaramillo recording] I have just returned from Pudahuel Airport. I really believe that the grotesque spectacle presented by a group of bad Chileans is a shame.

The groups of Chileans were carrying UDI signs, but I do not believe they were from UDI because the demonstrators were not of the class of Jaime Guzman and Maximiano (Rasuri). They looked like hired antisocial individuals, people of the worst kind, who, like criminals, took over the road in the presence of the police. I was in the car behind the one carrying Gabriel Valdes. The mob took over the road and attacked the car with dirt, manure, and eggs, and they struck the car under the impassive eyes of many policemen who, instead of intervening to enforce law and order, hid behind a bus. [end recording]

Similar comments were made by Mario (Charpe), member of Social Democracy, who also went to the airport to welcome the U.S. senator. He condemned the attacks and labeled the U.S. senator's visit as very important because he is a bastion in the defense of democracy.

Leads Opposition Rally

PY151908 Paris AFP in Spanish 1850 GMT 15 Jan 86

[Text] Santiago, 15 Jan (AFP) -- U.S. Senator Edward Kennedy today broke a tight cordon of police and Chilean adversaries to preside over a rally of opponents to President Augusto Pinochet's military regime, on the main avenue in Santiago, a few blocks from government palace.

The democratic leader asked whether Chile would ever be free again, and the crowd around him answered: Yes, yes... Meanwhile agents and bodyguards tried to hold back the enthusiastic demonstrators.

Upon his arrival in Santiago this morning, Kennedy was harassed by groups of Pinochet supporters and forced to remain at the airport for 2 hours.

Meets Cardinal, Opposition Leaders

PY160135 Santiago Radio Chilena in Spanish 2200 GMT 15 Jan 86

[Excerpts] We have more information on Senator Edward Kennedy's visit. After Kennedy was able to leave the airport on a Carabineros helicopter, he went to the Children's Rehabilitation Center of the Society for Helping the Handicapped. Kennedy then left the rehabilitation center for the Spanish Club. Because of the delay in his arrival, Kennedy had to meet all the people who had asked to meet with him at the Spanish Club. The first to meet with him was Cardinal Raul Silva Enriquez. After a few minutes with Kennedy, Msgr Silva left the club. He said that his meeting dealt with achieving peace and the reconciliation of all Chileans.

[Begin Silva recording] I was invited to come. I have known Kennedy and his family for many years. I have met his brothers. This is why when I was invited, and I accepted the invitation to meet with him. [end recording]

Regarding the demonstrations against Kennedy, Msgr Silva said he regretted the incidents.

Kennedy then met Sergio Molina Silva, the coordinator of the National Accord and former finance minister in the Frei administration. Upon leaving the meeting, Molina explained that he went to talk with Kennedy as coordinator of the National Accord and not as representative of the National Accord. Molina indicated that Kennedy was very interested in the points and propositions of the National Accord.

[Begin Molina recording] Kennedy believes that the accord is an important effort by a group of political parties, who agreed on basic points, to enable the country to move toward democracy and become governable in the future. [end recording]

Molina also said that had he been a government representative, he would have received Kennedy to explain the different issues of conflict. Kennedy then met separately, in his improvised office at the Spanish Club, with leaders of the National Workers Command and of the Democratic Confederation of Workers. Rodolfo Seguel, Manuel Bustos, and Jose Ruiz Di Giorgio, who represent the National Workers Command, were the first to leave the club.

Rodolfo Seguel said that during the 25-minute meeting, Kennedy was briefed on how the Chilean workers were able to run their union organizations under the military regime. Seguel also referred to the attacks on Kennedy upon his arrival at the airport.

[Begin Seguel recording] The attack was the dictatorship's answer to a democrat, to a man who has played an important role in the development of democracy in Latin America. The dictatorship has responded with sticks and egg-throwing, with attacks of all types. Even the union leaders who are now here had a difficult time [words indistinct], but this is how the dictatorship responds. This is the reality of Chile -- with egg-throwing and attacks against such an important man. [end recording]

Then Eduardo Rios, Hernon Flores, and Ernesto Fogel talked with the press about their meeting with Kennedy. Rios said that Kennedy was very well informed about the Chilean social and political situation. Regarding the meeting Rios said:

[Begin Rios recording] We did not discuss anything very important; we only came to thank Senator Kennedy for his concern for Chile, his concern about human rights, the rights of Chilean workers. We, who represent important union organizations, came to personally thank him for his concern. [end recording]

All the people who met with Kennedy agreed that he only listened, that he did not say anything.

At 1800 about 500 people were shouting in front of the Spanish Club. Kennedy came out in the balcony waving a Chilean flag and the people began shouting the slogan: [begin recording] Kennedy friend, the people are with you. [end recording]

The Carabineros watched over the demonstration until 1900, and there were no incidents.

Bomb Threat Interrupts Meetings

PY151820 Paris AFP in Spanish 1755 GMT 15 Jan 86

[Text] Santiago, 15 Jan (AFP) -- U.S. Embassy sources have told AFP that a bomb alert today forced U.S. Senator Edward Kennedy to suspend the meetings he was holding in the Spanish Circle building in Santiago.

An anonymous caller announced that a bomb was planted in the offices where Kennedy had started his contacts with several Chilean social organizations after the incidents that broke out upon his arrival at Santiago international airport, where he was blockaded for 2 hours. Security experts went to the Spanish Circle building, which is located on Bernardo O'Higgins Avenue in downtown Santiago, to evacuate the offices and determine whether the threat was true.

The incidents at the airport occurred when groups of supporters of the government of General Augusto Pinochet parked their cars on the access road [to the airport] to prevent Kennedy from going toward downtown Santiago.

PDC Declaration

PY152337 Santiago Radio Chilena in Spanish 1630 GMT 15 Jan 86

[Text] The Christian Democratic Party [PDC] a few minutes ago released an energetic declaration regarding the demonstrations by groups that support the government at the Santiago international airport. Former Deputy Claudio Weppe read the declaration.

[Begin recording] In the face of the indifference of members of the Carabineros, who were only a few meters away, a mob of about 150 people attacked Gabriel Valdes and Jaime Castillo, the PDC president and vice president, respectively, upon leaving Pudahuel Airport after welcoming U.S. Senator Edward Kennedy.

In the face of this event, the PDC states:

1. The protection which the police forces in fact gave the aggressors compromises Carabineros. It also disgusts the moral conscience of the nation and violates the tradition of that institution.

2. The hatred shown by the supporters of the regime, represented by the UDI [Independent Democratic Union] and National Vanguard, is the logical result of the intransigence demonstrated by the president, who in an attitude of blindness beyond reason, holds onto the power, aggravating tension and division among Chileans.

3. This aggression is backfiring against those who, with cowardice and impunity, openly attacked defenseless people, thus proving that in this country there is no real and effective personal security.

4. In conclusion, it is necessary that Rodolfo Stange, the general director of Carabineros, deliver a prompt and clear explanation to the country over the behavior of the members of the institution he directs to know whether the Carabineros have given up their obligation to watch over the security of people to assume the sad mission of protecting those from the official sector who commit violent crimes. [end recording]

This was the PDC declaration regarding the demonstrations carried out this morning in the Santiago International Airport, which was read by former Deputy Claudio Weppe.

UDI Warns Kennedy

PY152346 Santiago Domestic Service in Spanish 2200 GMT 15 Jan 86

[Excerpts] Senator Edward Kennedy met opposition, church, labor, and student leaders for more than 5.5 hours at the Spanish Club today.

Kennedy, who is now at the U.S. Embassy, will return to the Spanish Club at 1930 to deliver a lecture. The U.S. senator and his entourage will have dinner at Ambassador Harry Barnes' house at 2130. Before leaving for the United States on a regular flight tomorrow, Kennedy will host a press conference at 0800 at the Commodore Arturo Merino Benitez International Airport.

Meanwhile, Government House sources have leaked that Interior Minister Ricardo Garcia is closely following the events, which may affect public order, particularly because of the arrival of Edward Kennedy. The minister has talked with President Augusto Pinochet, who remains in Bucalemu, in the 5th region. The minister has been very busy at his office at the Government House.

The Independent Democratic Union, UDI, meanwhile, has warned Edward Kennedy that the Chilean people's dignity is not to be trampled on. UDI leader Andres Chadwick added that the UDI succeeded in preventing Kennedy's car from leaving the Santiago international airport. Counterdemonstrators forced Kennedy to leave the airport by helicopter. However, the UDI denied that its members attacked the Chilean politicians who welcomed Edward Kennedy at the airport.

EL MERCURIO ADVOCATES LIFTING PRESS RESTRAINTS

PY160050 Madrid EFE in Spanish 0431 GMT 28 Dec 85

[Text] Santiago, 27 Dec (EFE) -- The daily EL MERCURIO today expressed support for lifting all restrictions on the Chilean press. In an editorial, EL MERCURIO stated that "it is expected that within the plan of transition to democracy in 1986, the restrictions to the press should be lifted as requested by the different organizations that represent the press itself."

The editorial added: "Most of the media has broadly cooperated with the current administration for years," including EL MERCURIO. That cooperation, however, "has not been rewarded considering the varied and strict legal measures that undermine freedom of opinion and information."

It added that "the commission of abuses and crimes by the press is penalized by the law, thus making it possible to question -- as is actually done -- its criminal and civil responsibility." The editorial stressed that "exercising the freedom of expression implies acknowledging the jurisdiction of the judicial branch," which "is the correct route to follow, not that of administrative sanctions, which sometimes are unappealable."

EL MERCURIO's editorial even cited President Pinochet himself, who said recently during a luncheon with media managers and professionals that journalism is "the essence of a modern and free society."

BETANCUR SAYS NICARAGUA EXPLANATIONS 'SUFFICIENT'

PA151838 Bogota Emisoras Caracol Network in Spanish 1215 GMT 15 Jan 86

[Text] The Colombian Government [as heard] has declared that he is satisfied with the explanations given by his Nicaraguan counterpart regarding the alleged support that Nicaragua supposedly had given to M-19 [19 April Movement] for the attack on the Palace of Justice and regarding, also, the mass attended by Commander Tomas Borge at which an M-19 flag was displayed at the altar.

On his return from Guatemala this morning, President Belisario Betancur told newsmen that the explanations given by his Nicaraguan counterpart, Daniel Ortega Saavedra, are sufficient. Betancur was in Guatemala for the presidential inauguration of Vinicio Cerezo.

Betancur said that he also discussed with Ortega the Latin American foreign debt, the coffee situation, the Contadora peace project, the Caraballeda declaration, and bilateral relations. He said that during his meeting in Guatemala with the Nicaraguan president, Daniel Ortega again explained the matters that had been presented to Nicaragua by Foreign Minister Augusto Ramirez Ocampo.

PRESIDENT REPORTS AREA SUPPORT FOR CONTADORA

PA152215 Bogota Emisoras Caracol Network in Spanish 1215 GMT 15 Jan 86

[Text] Bogota -- Returning from Guatemala, President Belisario Betancur said that a reactivation of the Contadora Group's peace efforts in Central America is imminent. He said it is easy to foretell this past weekend by the Contadora and Support Groups in Caraballeda, Venezuela.

The president said that the foreign ministers of Colombia, Venezuela, Panama, and Mexico will be giving U.S. Vice President George Shultz [as heard] a copy of the Caraballeda Declaration, and will ask him for an audience for them and their colleagues from the Support Group.

President Betancur said that the reactivation of the Contora Group will be practically assured as soon as Spanish Foreign Minister Francisco Fernandez Ordonez presents the Caraballeda Declaration to the EEC to seek that organization's support.

NATIONAL ACCORD LEADERS MEET KENNEDY IN B.A.

PY150120 Asuncion Radio Primero de Marzo in Spanish 1440 GMT 14 Jan 86

[Text] U.S. Senator Edward Kennedy met today with National Accord politicians for nearly ½ hour in the Sheraton Hotel in Buenos Aires. Among the Paraguayan politicians who spoke at the meeting are Miguel Angel Gonzalez Casabianca, representing the MOPOCO [Colorado Popular Movement]; Miguel Abdon Saguier, representing the Authentic Radical Liberal Party; and Orlando Otaviano, of the Febrerista Revolutionary Party, who lives in Argentina. The meeting was included on the agenda of Senator Kennedy's activities in Argentina.

During the meeting, in which information and opinions were exchanged, Senator Kennedy said that he would like to visit Paraguay but that he would do so, quote, only when the country recovers its freedom, unquote. Gonzalez Casabianca was the first to speak.

[Begin Gonzalez recording] The political opposition in Paraguay has good memories of the Kennedy family because the late President John Kennedy and Senator Robert Kennedy expressed the true meaning of democratic solidarity. But the United States has not always been consistent in its foreign policy for the defense of principles. Unfortunately, for a long time the United States has been associated with dictatorial regimes that deny human and political rights to our people.

The National Accord is an alliance of opposition political parties, and its main objective is to work for the installation of a democratic system in Paraguay. It representes an important step forward in the nation's political life because Paraguay has not had a strong democratic tradition because of a cannibalistic type of policy rooted in internal hatred fostered by the leading class. This is the soil from which dictatorship like General Stroessner's have emerged.

After this long and painful experience, the Paraguayan political class has come to understand the need to assume serious commitments to enhance the quality of political life. We have chosen the peaceful way for our struggle and we reject violence, whether from the right or the left. And this is why democratic solidarity is so fundamental. Agreeing with what Senator Kennedy said in his lecture last night, we also believe that there are universal principles, such as defense of human rights and the enforcement of democratic principles. We also believe that expressions of democratic solidarity do not violate the noninterference principle, which is valid only when the principle of self-determination is respected. In our country self-determination does not exist. Finally, on behalf of the National Accord. I want to extend to Senator Kennedy a very special invitation to visit Paraguay. [end recording]

That was the statement by former MOPOCO President Miguel Angel Gonzalez Casabianca.

The next to speak was Miguel Abdon Saguier; the secretary general of the Authentic Radical Liberal Party, who began by describing the conditions under which opposition politics is carried on in Paraguay.

[Begin Saguier recording] We do not have press freedom; the right to assembly is not recognized; the right of association is not recognized; labor unions and political parties cannot exercise the right of association, even though the Constitution guarantees these rights and freedoms.

Press freedom has lately been dealt a blow in Paraguay with the closing of the newspaper ABC COLOR and with the continuous persecution and harassment of Radio Nanduti and its director Humberto Rubin as well as other journalists of that radio station. Repression in Paraguay has been hard, but human rights violations have been reduced, particularly because of the pressure exerted by the Carter government. The whole Paraguayan situation has been complicated and has become very complex because Stroessner has simulated democracy: Elections are held every 5 years and for 31 years General Stroessner has been the winner in these elections; electoral campaigns take place under provisions of the state of siege; and the opposition parties do not enjoy the same opportunities as the incumbent party. Consequently, the people outside the country have only a superficial appreciation of the Paraguayan reality. So we are asked: How can there be a dictatorship when elections are held? How can there be a dictatorship if opposition congressmen sit in Congress? This is because the rules of democracy have been distorted and simulated, thus causing doubt among the people about what true democracy is. [end recording]

COLORADO LEADER SAYS KENNEDY'S VIEWS BIASED

PY152157 Asuncion EL DIARIO in Spanish 15 Jan 86 p 38

[Text] Colorado Party Executive Board Vice President Dr Ruben Stanley has said that U.S. Senator Edward Kennedy, who is visiting several Latin American countries, should more closely follow the Paraguayan process instead of receiving biased information on the subject.

Stanley minimized the meeting Senator Kennedy held with National Accord members on 14 January in Buenos Aires. He said he was not aware of the details of the meeting.

The Colorado leader said that Kennedy should base his opinions on "our situation and not on biased information."

"Even though our democracy has its particular features, it is genuine democracy," he concluded.

AFP WRAPS UP COUNTRY'S CURRENT SITUATION

PY152122 Paris AFP in Spanish 1652 GMT 15 Jan 86

[By Hugo Ruiz-Olazar]

[Text] Asuncion, 15 Jan (AFP) -- Diplomatic circles today commented that the delicate economic situation and the ever-increasing unrest in the production and business sectors, which have suffered continuous losses during the past 2 years, could accelerate a political change in Paraguay, encouraged by the United States, which is observing the emerging danger of social upheaval.

These sources, who prefer to remain anonymous, told AFP that the basic elements of the problem are bad public administration, the drought that has reportedly destroyed more than 50 percent of agricultural production, the lack of international credit and, on the political side, the unusual desire for renewal within the governing leadership.

The multi-million-dollar fraud, involving foreign exchange and amounting to approximately $1 billion (just over one-half of the foreign debt), in which important government officials and private businessmen have been implicated, has nearly left the country without monetary reserves. This has been admitted by one of the government officials who is now on trial.

Diplomatic observers have also indicated that corruption in other spheres of government only started to be investigated at the beginning of 1985, after these institutions had nearly been milked dry.

Even as public opinion was still commenting on the explosive case of the foreign exchange fraud the press announced at the beginning of January the devastation in the agricultural and livestock sectors caused by the long drought. There is speculation that the soybean and cotton crops, whose exports generate 80 percent of the country's foreign exchange, will be only 50 percent of normal, if not less, according to members of the Committee of Agricultural Producers. Added to this failure caused by the drought is the low price of soybeans and cotton on the international market, which tempts buyers and exporters to offer very low prices to producers, many of whom rebelled in 1985 and only planted crops for their own consumption.

The pessimism of the producers has infected the businessmen, who have received a very definite no from the government regarding leveling the official dollar (240 guaranies) with the exchange market dollar (850 guaranies). Businessmen have told the Asuncion media that their sector's concern had not been satisfied when it was denied foreign exchange for exports and imports due to the massive smuggling operation and the persistence of government corruption.

The observers have also stated that all this plus the pressures within the ruling Colorado Party have reversed the position of no criticism that for nearly 3 decades has characterized the politicians who support President Alfredo Stroessner. It is the belief of the diplomats that the division of the members of the Colorado Party into institutionalists and militants does exist and that there are plotters who have pointedly disobeyed the absolute power by trying to give the regime a more civilian image with the support of a military sector and the sympathy of the United States.

In this respect, independent intellectuals have speculated that the United States has begun to hint about the risk of social unrest in Paraguay as a result of the crisis that is hitting the middle class, workers, and peasants.

The incident involving U.S. Ambassador Clyde Taylor, in which he visited the irregulars of the National Accord at their headquarters, irritated the Asuncion authorities, who accused him of interfering in internal affairs, and has been pointed out as evidence of the new U.S. policy toward Paraguay. Ambassador Taylor's slip must be added to President Reagan's statements, when in 1984 and 1985 he referred to the lack of democracy in Paraguay at a time when it was thought that the U.S. President would give Stroessner more open support.

On the other hand, Democratic Senator Edward Kennedy said today in Buenos Aires that he would visit Paraguay when it is a free country, and he called the irregulars of the National Accord fighters for democracy, thus making the U.S. foreign policy even more evident. When it attacked Kennedy, the official newspaper PATRIA blamed him for the Carter administration's decision to suspend military aid to Paraguay. Behind this accusation the observers think that they observe the Stroessner government's concern over the lack of new weapons for the Army.

CUBAN NATIONAL ASSEMBLY PRESIDENT ARRIVES

PY142339 Paris AFP in Spanish 2147 GMT 14 Jan 86

[Text] Lima, 14 Jan (AFP) -- Cuba's National Assembly president, Flavio Bravo Pardo, said upon arrival in Lima today that Latin America is waging its second war of independence, confronting the foreign debt problem. Bravo will attend a ceremony during which Cuba will become a member of the Latin American Parliament Executive Board. This is scheduled for 23-25 January in Lima. Peruvian Senator Andres Townsend Ezcurra, the current president of the Latin American Parliament, which is made up of legislators from 15 countries of the region, received Bravo and his 3 colleagues at the airport. Bravo said the foreign debt problem, which has strengthened Latin American solidarity, is primarily a political, rather than an economic issue. The admission of Cuba to the Parliament was decided upon during a session the organization held in Brazil in 1985. Bravo said he will meet with Peruvian President Alan Garcia, to whom he will present a message from Cuban leader Fidel Castro.

POLICE REPORT GUERRILLA ATTACKS AROUND COUNTRY

PY152034 Paris AFP in Spanish 1831 GMT 14 Jan 86

[Excerpt] Lima, 14 Jan (AFP) -- The Civil Guard today reported in Lima that about 20 Shining Path guerrillas attacked the town of Curicanchi in the Huancavelica Andean region. The guerrillas killed Curicanchi Mayor Alfonso Tornero, blew up three community buildings with dynamite, and fled, firing shots into the air and shouting slogans of the armed struggle. The attack occurred on 13 January in Curicanchi, a town located about 520 km east of Lima. This was one of the most serious in a series of Shining Path attacks in different parts of Peru in recent days. According to the report received by police in Lima, the Shining Path column that attacked Curicanchi with guns and dynamite first subjected the Curicanchi mayor to a people's trial and later executed him for opposing the guerrillas. They did this after gathering about 100 residents in the main plaza.

Other guerrilla attacks occurred in Ancash Department, about 400 km northeast of Lima. The guerrillas blew up three bridges with dynamite, thus isolating the town of Pachacca in Pallasca Province. In this same region, another armed group caused landslides with dynamite explosions. The landslides blocked 8 km of the highway between Carhuaz and Cajatambo, in Lima Department.

The Shining Path attacks took place after the Peruvian press published reports attributed to police sources about the alleged arrest of an important member of the guerrilla group headed by Abimael Guzman, who for some time has been believed to be hiding in the rugged mountainous region of La Convencion in Cusco Province, about 1,150 km southeast of Lima. Civil Guard spokesmen have told AFP that they cannot confirm or deny these reports, or reports that a military patrol is after the top-ranking guerrilla leader.

EL SALVADOR

FMLN VIEWS ARMY COUNTERINSURGENCY OFFENSIVE

PA151738 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 1830 GMT
13 Jan 86

[Communique issued 12 January 1986 by the Modesto Ramirez Central Front at Guazapa Hill -- read by announcer]

[Text] At 0530 on 10 January the puppet Army began a counterinsurgency operation called Operation Phoenix. At a news conference General Onecifero Blandon disclosed the characteristics and extent of this operation. It includes all the Guazapa Hill area. The forces participating in it are: the Belloso Battalion positioned in the Salitre-La Cruz sector; the Atlacatl Battalion positions in the El Perical, Las Delicias, Consolacion, La Caja, and Valle Verde sectors; and the Bracamonte Battalion positioned in Chaparral, Platanares, and El Varillo. Also participating are the San Carlos, Soriano, and Liberatad Battalions of the 1st Infantry Brigade positioned in El Roblar on the Northern Trunk Highway, the La Cabana sugar mill and San Francisco, and the Corozal sector, respectively.

In addition, the Lightning and Thunder Battalions of Cojutepeque's Military Detachment No 5, located in Calle Nueva, are also participating. The National Guard of Suchitoto is surrounding the area from Suchitoto to Milingo. The Air Force and artillery units are at the San Francisco sugar mill and at Oratorio de Concepcion.

The enemy is making a special effort by using its three elite battalions in this clean-up and counterinsurgency operation. In addition, it is using a brigade and a detachment, as well as repressive organizations and the Air Force.

Despite the fact that it is using over 5,000 troops, this operation is no different from others that have failed on Guazapa Hill before. A new element is the great display of propaganda used by Blandon.

The main objective of this operation is the total depopulation of the lower Guazapa Hill area. After 2 days of this operation, the puppet Army carried out the following actions: The criminal Air Force used 18 aircraft to bomb the towns of Corozal, Delicias, Consolacion, Chaparral, Zapote, and Mirandilla for 6 hours on 10 January.

The worn out elite Atlacatl and Bracamonte Battalions are involved in the persecution and capture of civilians, as well as the destruction of houses and crops. Eleven people have been kidnapped so far. In addition, the battalions of the 1st Infantry Brigade, Military Detachment No 5, and the repressive organizations, unable to enter the areas under our control successfully, have been devoting themselves to pillage and looting to make up for their deficiencies in their [word indistinct].

For our part, on 10 January our militia units dealt a successful blow to the enemy's war economy when we sabotaged 200 manzanas of sugar cane at the Trapichon, Los Gramales, and San Lucas farms. Also, at 1000 on 11 January, guerrillas of the Carlos Arias Battalion carried out three evening attacks, simultaneously, on positions of the Atlacatl Battalion. We killed two members of that battalion.

Revolution or death, we will win! Signed By: Commander Chano Guevara

CHURCH OFFICIAL ON WAR DIALOGUE, PEACE MARCHERS

PA150418 San Salvador DIARIO EL MUNDO in Spanish 13 Jan 86 p 3

[Excerpt] We believe that there is no reason to continue the war and that it is urgent to seek a solution through dialogue as expressed in the pastoral letter issued by the Salvadoran Episcopate, Msgr Gregorio Rosa Chavez, auxiliary bishop of San Salvador, said yesterday at the cathedral in San Salvador. Msgr Rosas Chavez also condemned the sabotage actions against the coffee processing facilities in Nejapa and Juayua, where most of the damage was done.

However, he added that according to the information available at the San Salvador Archbishopric's Legal Assitance Office, political violence did not result in as many victims as in previous weeks. Msgr. Rosas Chavez said 2 members of the Armed Forces and 10 others died during the past week. The prelate stressed: "We condemn the sabotage actions and all of the forms of violence in the war."

He said that the most significant event during the past week was the pastoral visit by Archbishop of San Salvador Monsignor Arturo Rivera y Damas to northern Chalatenango Department, which is one of the archdiocese's areas of heaviest fighting.

Bishop Rosas Chavez said that last Tuesday the church was surprised to hear through a clandestine station that Msgr Rivera y Damas had to seek refuge due to a bombing. He added that he immediately contacted the defense minister, who assured him that the Air Force had not carried out an attack against the guerrillas in the area where Msgr Rivera was visiting. Msgr Rivera returned to San Salvador Friday night tired but happy, said Msgr Rosas Chavez.

Regarding the peace activities being conducted by Salvadoran and foreign Marxists, Msgr Rosas Chavez said that last Sunday Archbishop Arturo Rivera y Damas himself expressed what the Salvadoran Catholic Church thinks about that initiative. He stressed that the presence of the march participants at the crypt in San Salvador cathedral for almost 3 days reminded us of the sad experience of the occupations carried out by the leftist groups and of which the Christian people have unhappy memories.

We at the Archbishopric believe that those actions are no longer jusitfied, the prelate stressed, noting that the priests who participated in the March for Peace did so on their own initiative and not on behalf of the Catholic Church.

GUATEMALA

LATIN HEADS OF STATE ATTEND CEREZO INAUGURATION

Duarte, Ortega Meet Publicly

FL152006 Mexico City NOTIMEX in Spanish 0245 GMT 15 Jan 86

[Excerpts] Guatemala City, 14 Jan (NOTIMEX) -- The United States expressed today that it would renew conversations with Nicaragua when a clear base for democracy exists.

In response, the Sandinist leader, Daniel Ortega, called on the Reagan administration to cease its aggression against Nicaragua.

Nicaraguan and Salvadoran Presidents Daniel Ortega and Jose Napoleon Duarte, respectively, held an improvised discussion before the new Guatemalan president, Vinicio Cerezo, was inaugurated. Later, the Sandinist leader spoke with U.S. Vice President George Bush. During these discussions, NOTIMEX acted as moderator. The last time Ortega and Duarte met face-to-face for discussions was 4 years ago in Tegucigalpa, Honduras, when Roberto Suazo Cordovas was inaugurated.

The Central American leaders first discussed the political and social composition of the different Central American parliaments or assemblies. Later, they discussed church-state relations as well as the extraordinary price increase in the international coffee market.

Ortega was the first to speak: I believe that dialogues are always good, even though we have differences. Solutions are reached through dialogue, especially if there is mutual respect. It has to do with finding common ground, not separate. If we achieve this, it would be in favor of peace and tranquility in the region. If we have respect and communicate, we will achieve peace.

Duarte listened politely to the Nicaraguan president and said: El Salvador can live, can coexist with a socialist Nicaragua if this is selected by the majority of the Nicaraguan people. I do not have problems with the Nicaraguan Government, President Ortega, or Sandinism. I do not have them and I will never have them, and when Nicaragua is not a sanctuary for guerrillas and a factor for destabilization in the area [incomplete sentence as received].

The Nicaraguan president was expecting to hear this criticism. His immediate response was: the sanctuary for Central American violence is in economic and social inequality, lack of freedom, and respect for human rights.

Duarte: That is why a revolution is necessary, not a violent revolution, but a democratic revolution in which everyone can participate. This is one of our greatest differences.

Ortega, speaking to NOTIMEX: That democracy Duarte defends emerged from one of the most violent revolutions in history: the French revolution, which extensively used the guillotine. And how did the United States achieve its independence and democracy but by violence, or was it through independent elections? Looking at Duarte, Ortega said sharply: do you believe Somoza understood elections?

Duarte: But the Salvadoran dictatorship understood them.

The ceremony was about to begin and before the imminent arrival of his colleague, Duarte continued: In any case, the important thing is that all Central American countries estalish mechanisms or methods to understand and respect our opinions and differences for the purpose of achieving peace.

Ortega: Then you are in favor of dialogue?

Duarte: We always have been.

Ortega: We began it 4 years ago when Suazo Cordova was inaugurated in Honduras. Now, we resume it.

[Ortega's response to U.S Vice President Bush's statements on freedom and democracy in the region] U.S. aggression against Nicaragua must end and then we can normalize relations and establish peace in the region. Then, added Ortega, we the Central Americans, can sit down, discuss, and solve our problems. Only we have the obligation and right to do this, he concluded.

Dialogue Acrimonious

PA152203 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 15 Jan 86

[Text] The presidents of El Salvador and Nicaragua, Jose Napoleon Duarte and Daniel Ortega respectively, met in the presence of other visiting statesmen during the events surrounding the presidential inauguration in Guatemala. During their encounter the two discussed the need to hold a dialogue, though there were also recriminations regarding the authenticity of democracy.

[Begin recording] [Duarte] [Words indistinct] a sanctuary, (?particularly) for the Salvadoran guerrillas [words indistinct] and we must hold dialogues in order to gradually find solutions [words indistinct].

[Ortega] We support dialogues [words indistinct]. We believe that [words indistinct] in El Salvador. We advocate a policy of self-determination and nonintervention. We have repeatedly set forth the need for the Central American governments to adopt effective commitments to prevent us from becoming instruments of (?one team) against the other.

I believe the sanctuary of violence in Central America is rooted in the economic imbalances and the lack of democracy and freedom. That is why revolution becomes necessary....

[Duarte, interrupting] [words indistinct] violence. That is why a revolution is necessary; but not a violent revolution, a democratic revolution in which everyone has rights and participates. Here you can observe a difference in opinions.

[Ortega] The democracy that President Duarte is defending emerged from one of the most violent revolutions history has witnessed the French Revolution. The revolution that....

[Unidentified speaker, interrupting] He's talking sports. [laughter]

[Ortega] How did the United States attain its democracy and independence if not through violent means? Or did the United States reach its independence through elections [words indistinct]?

[Duarte] Central America obtained independence from Spain without a single shot having been fired.

[Ortega] Do you believe Somoza understood the concept of elections?

[Duarte] Well, let's close this -- what is supposed to be a news conference -- by saying that the important thing in all of this is that the Central American countries find the mechanism, methodology, principles, and agreement to set aside those things that separate us in order to find peace in Central America. I believe that this is what is important.

[Ortega] Have we agreed on a dialogue, then?

[Duarte] We have always agreed. [end recording]

Managua Radio Comments

PA151351 Managua Radio Sandino in Spanish 1200 GMT 15 Jan 86

[Text] Daniel Ortega and Napoleon Duarte held a conversation. Commander of the Revolution Daniel Ortega, Nicaraguan president, told Salvadoran President Napoleon Duarte in Guatemala: I think that dialogues are good for the sake of peace even though there are differences between us.

The Salvadoran president talked with his Nicaraguan counterpart in Guatemala yesterday during an improvised dialogue that broke 4 years of silence between the two heads of state. Duarte said: El Salvador can coexist with a socialist Nicaragua, according to a NOTIMEX news dispatch transmitted by (?AFP).

Shortly before Guatemalan President Vinicio Cerezo took over, Commander Ortega and Duarte discussed the need to hold dialogues to achieve peace in Central America. The Nicaraguan president told his interlocutor: I believe that dialogues are always good even though there are differences between us; solutions are found through dialogue, especially if we respect each other. Commander Ortega added: This involves finding points of agreement rather than of separation. If we achieve that, peace and calm will be enhanced in the entire region; if we respect each other and dialogue, we will achieve peace.

For his part, President Jose Napoleon Duarte said that he has no problem with President Ortega and Sandinism and never will as long as Nicaragua does not become a sanctuary for guerrillas and destabilization in the area. However, Commander Ortega told him that the sanctuary of violence in Central America is rooted in social and economic imbalances and a lack of liberty and respect for human rights.

Duarte replied to that by pointing out that in any case, what is important is that all Central American countries find the mechanism and methodology to understand each other while respecting each others' viewpoints and differences in our search for peace.

Ortega, Betancur Meet

PA151655 Paris AFP in Spanish 0055 GMT 15 Jan 86

[Text] Bogota, 14 Jan (AFP) -- The presidents of Colombia and Nicaragua today took advantage of their presence in Guatemala to attend the presidential inauguration of Vinicio Cerezo and held a meeting during which they discussed the relations between their two nations.

The presidential press office in Bogota has issued a communique stating in this regard that Belisario Betancur and Daniel Ortega met this morning from 0700 to 0830 at the Camino Real Hotel in Guatemala City "to discuss in general the Central American and Caribbean situation."

The Nicaraguan Embassy in Bogota had requested this meeting some days ago. According to the official bulletin, President Ortega made the following statement at the end of the meeting:

"We have had the opportunity of greeting President Betancur and of discussing with him the situation in the region and, especially, to think carefully about that situation."

He added: "This has been an opportunity to discuss the sitatuion that some have tried to create to provoke friction between Nicaragua and Colombia. We have the feeling that sentiments of Latin American unity, as well as the relations between Nicaragua and Colombia, are continuing to grow stronger."

The communique concluded by reporting that the Sandinist leader said: "Nicaragua has always been interested in preserving its relations with Colombia and in acknowledging the efforts that President Betancur, in particular, has been making in favor of peace."

Ortega went to the suite of the Colombian president in the company of Foreign Minister Miguel D'Escoto and Deputy Foreign Minister Victor Tinoco.

It is worthwhile recalling that the ties between the two countries have faced dark shadows as a result of U.S. Government charges, charges reiterated in Washington, D.C. today by President Reagan when he received his Ecuadoran counterpart, Leon Febres Cordero. The allegations were that Nicaragua gave aid to the M-19 [19 April Movement] guerrillas who in November carried out the bloody attack on the Palace of Justice in Bogota.

Ortega Views Betancur Meeting

PA151440 Bogota Emisoras Caracol Network in Spanish 1215 GMT 15 Jan 86

[Report by Carlos Ruiz from Guatemala City -- live or recorded; monitored in progress]

[Text] ...his government's ties with the government of Belisario Betancur.

Nicaraguan President Daniel Ortega talked with Caracol to discuss the 90-minute meeting he held with the Colombian president here in Guatemala.

[Begin recording] [Ortega] It was a very positive meeting during which we broached problems (?and attitudes) of interest to both countries, particularly peaceful resolution of the problems in (?Central America).

[First unidentified reporter] Mr President, was the [word indistinct] of LA PRENSA clarified?

[Ortega] It was perfectly clarified.

[Second unidentified reporter] [Word indistinct] that relations between Colombia and Nicaragua are very good at this moment?

[Ortega] Yes. [Words indistinct] normal. These are relations which [word indistinct] affected.

[First unidentified reporter] Can the [word indistinct] you presented today to President Betancur [word indistinct] support to the guerrilla groups be regarded as explanations by Nicaragua?

[Ortega] You may interpret tham as you wish. That is, they were necessary statements [words indistinct] artificially.

[Second unidentified reporter] Have you any ties with the M-19 [19 April Movement], Mr. President?

[Ortega] No. [End recording]

Daniel Ortega ended his interview with Caracol with a flat "no".

Caracol learned from an official source the details of the incident between Ortega and U.S. Vice President George Bush. According to the version given to Caracol by Nicaraguan Foreign Minister Miguel D'Escoto, President Ortega came across Vice President Bush at the National Theatre a few minutes before Vinicio Cerezo's inauguration. Ortega approached Bush and said: Since the mountain is not coming to Mohammed, Mohammed will go to the mountain. By this, he hinted to Bush that he wanted a formal dialogue with him, but Bush answered: Sorry, I am the [word indistinct] mountain. You had an oppourtunity to talk with the mountain in New York. Thus, Bush avoided a dialogue with Ortega.

Duarte, Delvalle View Contadora

PA151612 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 14 Jan 86

[Text] During a press conference he gave, Salvadoran President Engineer Jose Napoleon Duarte suported the Contadora Group's efforts to achieve peace in the area.

[Begin Duarte recording] The personal friendship between Vinicio Cerezo and myself, and the ideological identification (?between us) benefit and strengthen our common efforts in keeping with our (?convictions and principles) to achieve pacification and respect for human rights [words indistinct].

This does not mean that we have not made great efforts to seek peace during this period. We have actively participated in the Contadora process. We are continuing to participate and believe in it, and we will continue to contribute our sincere and honest effort in the search for a stable peace in Central America. Of course, President Vinicio Cerezo's election consititues anouther step forward, because Guatemala is a new democratic country. [end recording]

Meanwhile, Panamanian President Eric Arturo Delvalle said that the Contadora Group's efforts have been positive.

[Begin recording] [Delvalle] The Contadora Group has been working hard for 3 years to bring peace and [word indistinct]. Two days ago the Contadora Group met again in Caracas with the four member-countries of the Support Group [words indisinct] to continue holding dialogue, because we have a new perspective to offer which we will present once [words indistinct] send it to the EEC, the United States, and (?other American countries).

[Unidentified reporter] Has the work of the Contadora Group been fruitful so far?

[Delvalle] We have made great progress [words indistinct] and are confident that we will be successful in the future and achieve a solution [words indistinct]. [end recording]

MEJIA VICTORES SPEAKS AT CEREZO INAUGURATION

PA151638 Guatemala City Domestic Service in Spanish 1931 GMT 14 Jan 86

[Speech given by General Guillermo Mejia Victores, outgoing Guatemalan chief of state, at inauguration of President-elect Vinicio Cerezo Arevalo at the National Theater in Guatemala City -- live]

[Text] Mr. President-elect of the Republic of Guatemala and Mrs. Cerezo, your excellencies, presidents of sister nations, your excellencies, chiefs of special delegations and honorable members of your retinues, Mr Deputy Chief of State and Chief of the Country's National Defense, Mr Vice President-elect of the Republic and Mrs Carpio, Mr President of the Guatemalan Congress, Mr President of the Supreme Court, Mr President of the Supreme Electoral Tribunal, Messrs deputies of the board of directors of the National Congress, Messrs deputies of the National Congress, Messrs Supreme Court justices, Messrs magistrates of the Supreme Electoral Tribunal, Messrs ministers of state, Messrs commanders, top civilian and military officials of this administration, Mr. Mayor of Guatemala City, Messrs representatives of the media, ladies and gentlemen, Guatemalan people:

May the first few words of my last message to the nation as chief of state be a friendly and warm greeting to top dignitaries of friendly countries who, by honoring us with their presence, are sharing with us these important and historical moments in Guatemala's political life.

Two and 1/2 years ago on 8 August 1983 I assumed the office of chief of state by decision of the Guatemalan Army, determined to redirect and strengthen the political process for an opening which our institution had been promoting.

I accepted the responsibility I was tasked with, with the firm conviction that the country needed to return, definitely and as soon as possible, to democracy. On behalf of the Guatemalan Army, I became committed to promoting a process of national reconciliation that allowed Guatemalans to freely express themselves within the framework of a true democratic and pluralist system.

Returning to a constitutional regime and the pacification of the country, and giving to Guatemala the place it deserves within the international community became our priority goals. In addition, we promised to face, to the best of our ability, the serious economic and social crisis that had been affecting our country.

The work to be done was difficult and complex. However, we started it and completed it with the help of various social, economic, and political sectors in the country.

The people and the government responded to the challenge posed by the circumstances, and although we must admit that -- especially in the social and economic areas -- we were not able to accomplish everything we wanted to do and with the expected results, I can now, in this solemn event, stress that the promise I made as a soldier was kept and the commitment made by the Guatemalan Army fulfilled.

On this occasion we must refer to, in general terms, the main problems affecting Guatemala when we received the administration, as well as the way in which we solved them. At that time we were passing through an atmosphere of uncertainty; the Guatemalan people were confused, disoriented, and frustrated politically.

In particular, the program to return to a de jure system was uncertain and there was also, -- why not say it? -- a profound crisis of credibility and trust.

In view of this situation, we took the measures we thought best to return to Guatemalans their faith in their institutions. We lifted the state of emergency that restricted the citizens' freedom of expression and their political and labor rights. We abolished the special courts and issued a broad and generous amnesty law so that all those compatriots who, in one way or another, had participated in or helped terrorist subversive groups could return to their places of origin and resume their usual activities.

The Supreme Electoral Tribunal was confirmed and was given all the support it needed. At its request we issued all the pertinent legal provisions and, simultaneously, we began a process of an open and sincere consultation with the leaderships of all political parties and committees for the formation of political parties that existed in the political arena.

We listened to their proposals. We analyzed them and by common agreement we established the stages for the democratization process. We announced the elections to choose members to the National Constituent Assembly. Regarding this, I can stress with great satisfaction that the Guatemalan people responded as never before. They went in unprecedented numbers to the polls to cast their votes for deputies who were to draft the new constitution of the Republic.

The results of these elections were respected. For the first time in many years, the participating parties did not challenge the results. After hard work, the National Constituent Assembly promulgated the Constitution of the Republic of Guatemala, which goes into effect today.

Our magna carta, which must be respected and observed by all Guatemalans, contains provisions that guarantee the operation of a modern state with emphasis on the separation of branches and the protection of human rights.

When we called for general elections for president, vice president, deputies, and municipal offices, we reiterated the government's total impartiality and offered to guarantee free and clean elections.

On 3 November, the Guatemalan people went to the polls once more in an orderly and exemplary fashion. As none of the presidential candidates received a majority of votes, we proceeded, within a new system in our country, to a second round of elections. This second round was held on 8 December, 1 month later.

These last two elections, just as the first one, were counted in the presence of observers from various countries and international organizations. We are very pleased that all of them, without exception, as well as the international media admitted that the elections were faultless.

In regard to other matters, I must also mention that the achievement of pacification of the so-called areas of conflict included development programs for rural communities, and the system of interagency coordinating boards worked efficiently. These efforts were made with special enthusiasm.

With special satisfaction, I must refer to the foreign policy of my administration. In the past, Guatemala's prestige has for various reasons been tarnished. Guatemala was virtually isolated within the international community.

From the beginning of our administration, we defined a clear and precise policy respecting the basic principles of international law.

Regarding the crisis of our region, we adopted a careful, balanced, and constructive attitude, convinced that Central Americans must find political-diplomatic solutions to settle our differences.

We admit that the problems are very grave and complex, but we are convinced that they can be faced if we all act in good faith and express a true political willingness to find formulas of agreement which lead us to peace.

We have firmly supported the Contadora Group efforts. This is the right moment to thank Colombia, Mexico, Panama, and Venezuela for their tireless work in the past 3 years. I also want to express my thanks to the Support Group and the EEC countries for their contributions within this context.

We have acted with independence, dignity, responsibility, and realism. We have given a true sense of dimension to the word sovereignty. With true pride I can say: We are respected and listened to now.

Guatemala, like other brother countries in Latin America, is affected by a serious economic crisis that has external and internal origins. To the extent of our possibilities, we tried to implement policies that helped the country's development. Social problems and our determination to reactivate our economy prompted us to promote a great national dialogue with the country's various sectors; we analyzed with them the situation objectively and with a positive attitude. Everyone helped. Various alternatives to overcome the crisis were suggested. There is a long road ahead in that regard. But I reiterate once more that we must all make an effort and sacrifice, avoiding the interests of a few prevailing over those of the majority.

In spite of all the setbacks we have achieved a certain economic stability, and the outlook for our export prices allows us to predict better times.

I give a detailed account of my work in the government in my work memoir, which I am distributing today.

Mr. President, Mr. Vice-President, messrs deputies, Guatemalan people: Concluding this message I want to express my respect and appreciation for the Supreme Electoral Tribunal, the National Constituent Assembly, and the Supreme Court, which effectively carried out the delicate job they were tasked with.

I also give my personal thanks to my cabinet and my collaborators, particularly the Guatemalan Army for its loyalty and esprit de corps. I am leaving with the tranquility of a job well done and I urge all Guatemalans to defend the peace and democracy that cost us so much. I urge them to work and act with responsibility to reach the great national goals.

Wishing the new administration success, I affirm that we must look at the future with faith and trust, highlighting the positive over the negative. Let everything be for the good of our beloved homeland, Guatemala. Thank you. [applause]

CHURCH REQUESTS GUARANTEED RELIGIOUS FREEDOM

PA152144 Panama City ACAN in Spanish 0326 GMT 15 Jan 86

[Text] Guatemala, 14 Jan (ACAN-EFE) -- The Guatemalan Church is not asking for privileges but for religious freedom to be guaranteed and for everyone to be included in social action programs, the Archbishop of Guatemala, Msgr Prospero Penados del Barrio said today.

The prelate made the statement during the homily at the mass for the country's new authorities, headed by the new president, Vinicio Cerezo.

Initially, Msgr Penados del Barrio said that the church shares the people's happiness over the return to democracy, "which satisfies the people's most fervent desire."

"Their frustration and discouragement have diminished throughout this process to make way for hope, especially among that majority of the population, who are poor and the victims of institutionalized repression which, with the transfer of power, sees a new phase opening," the prelate said.

Msgr Penados del Barrio likewise requested, "in God's name," that the new government be the beginning of justice based on respect for the dignity of the individual, that it go beyond the simple formality of the law so that there will be participation in the country's material and moral goods for all Guatemalans.

The archbishop directly asked Vinicio Cerezo to do something about the corruption in public administration, to make the government's main action our common wellbeing, and to ensure that the human rights violations end. Msgr Penados del Barrio very specially asked the president to, as far as possible, activate the investigations so that those who have missing relatives can soon have the happiness of having them back home.

The ceremony of "thanksgiving" at the Metropolitan Cathedral was attended by the new authorities, as well as by the delegations that came to the country for the change of power.

NICARAGUA

ORTEGA RETURNS FROM GUATEMALA 15 JANUARY

PA152343 Managua Domestic Service in Spanish 2300 GMT 15 Jan 86

[Text] President Daniel Ortega returned to the country this afternoon after having attended the inauguration of Vinicio Cerezo as the new president of Guatemala. President Ortega followed an intense schedule of activities in Guatemala City, where he met with Colombian President Belisario Betancur, Jose Napoleon Duarte of El Salvador, and Honduran President-elect Jose Azcona.

President Ortega successfully answered a battery of questions posed by extreme-right political figures during the "Conversation" ["Coloquio"] program on Guatemalan television.

Commander Ortega participated in a meeting of Central American presidents today before leaving for Managua. Tonight he will meet with Spanish Foreign Minister Francisco Fernandez-Ordonez.

SPANISH FOREIGN MINISTER ARRIVES; TO MEET ORTEGA

PA151910 Panama City ACAN in Spanish 1740 GMT 15 Jan 86

[Text] Managua, 15 Jan (ACAN-EFE) -- Spanish Foreign Minister Francisco Fernandez-Ordonez arrived this morning in Managua from Guatemala, where he attended President Vinicio Creezo's inauguration yesterday.

The Spanish minister was welcomed by Sandinist Vice President Sergio Ramirez, Deputy Foreign Minister Nora Astorga, and Luis Cuervo, Spanish Ambassador in Managua. Following his arrival in the capital, the Spanish diplomatic leader will meet with National Assembly President Carlos Nunez. Later, he will meet with representatives of the Nicaraguan political opposition, who will present him with a document containing their position on meetings promoted by Spain in this country.

Fernandez-Ordonez will also attend a luncheon with Foreign Minister D'Escoto and participate in a work session at 1500 at the Foreign Ministry. Before leaving the country today, Fernandez-Ordonez will meet with President Daniel Ortega, who was still in Guatemala this morning attending President Vinicio Cerezo's inauguration.

The Spanish diplomatic leader's visit comes in the wake of two meetings between Sandinists and the opposition to establish a dialogue promoted by Luis Cuervo, the Spanish ambassador in Managua.

CP LEADER ON EFFECT OF CEREZO REGIME ON REGION

PA151406 Managua Radio Noticias in Spanish 1200 GMT 14 Jan 86

[Excerpts] The continent's eyes are on Guatemala today. Social Christian [as heard] leader Vinicio Cerezo Arevalo today becomes the new Guatemalan president, creating the expectation that significant changes may be made in the gloomy Central American panorama.

Ariel Bravo Lorio, one of the main leaders of the Communist Party of Nicaragua, comments on Central America's prospects after Cerezo Arevalo takes office. From his leftist position, Bravo also discusses diverse aspects of the national situation.

[Begin recording] [Bravo] To answer your question on whether there will be any change when Mr Cerezo attains power and when the new Honduran president assumes office, I believe that in Guatemala's case it is possible that Christian Democrat Cerezo's arrival may have some significance in the effort to end the critical situation on the Central American isthmus, especially since the previous Guatemalan Government headed by Mejia Victores had internationally adopted the policy of not getting involved in other countries' internal affairs and not participating in the blockades against Nicaragua, and also demonstrated concern over the search for negotiated political solution.

According to Cerezo's own statements, he will make significant changes in the Central American situation, and there is the possibility that a solution to the serious problems in Central America may emerge.

[Unidentified reporter] Comrade Bravo Lorio, the Communist Party has proposed the formation of an anti-interventionist front. Who would form this front?

[Bravo] The group that proposed the national anti-interventionist front in the National Assembly was the Popular Social Christian Party [PPSC] in a document read in the Assembly by the party's president, Mauricio Diaz, on the day we discussed a document condemning the U.S. aggression and the supplying of surface-to-air missiles to the counterrevolutionaries.

We became very interested in the proposal because we are also trying to find civic, peaceful solutions for Nicaragua, and any discussion regarding this also involves the great economic and social crisis the country is facing and finding solutions for it, not only for the aggression.

From this angle, the PPSC'S proposal was supported in the National Assembly and is even included in the document of condemnation as one of its important points, as something we must achieve. I believe it is one of the objectives we must pursue and work on. All of the parties are interested in forming an organization, or in arriving at the possibility of talks to find a solution for the country's serious problems and the agression. Who should participate? I believe that all the political parties should participate, especially those that are represented in the Assembly but are interested in resolving the country's serious problems, not through war but through peace. In other words, all parties and party militants with patriotic feelings must understand and make efforts, because this is one of the only ways to resolve the country's problems. [end recording]

PCDN GIVES CONDITIONS FOR SUPPORTING CONSTITUTION

PA140311 Managua Radio Noticias in Spanish 1200 GMT 13 Jan 86

[Text The Democratic Conservative Party of Nicaragua [PCDN] will not sign the constitution if it is not headed by the words "In God We Trust," and if it does not include a principle banning re-election. This was said by Rafael Cordova Rivas, who was elected as new coordinator of the PCDN during an assembly held yesterday. Daniel Brenes Aguilar was elected PCDN national coordinator and, as forseen, Eduardo Molina Palacios was elected to the office of political secretary. The new PCDN coordinator said he would like to inform the country's authorities that the members of the PCDN are active. However, the authorities are not to worry, the PCDN is not carrying out activities against the state. As we already reported, Rafael Cordova Rivas, former member of the Junta of the Government of National Reconstruction, was elected new PCDN coordinator.

[Begin Cordova Rivas recording] I feel that this is a demonstration of good civics because the leaders of the party were chosen through a secret and honest vote according to the party laws. I have a difficult task ahead with the constitution. This constitution must be the most Nicaraguan constitution ever drafted in Nicaragua, and afterwards we must work on the elections for municipal mayors. The PCDN will be present in the constant civic struggle, legally and within the law. I wish to bring to the attention of the authorities, especially the police, security, [words indistinct] to the fact that many members of the PCDN are involved in party activities and we do not want the authorities to misunderstand these activities and view them as activities against the state. [end recording]

Agrarian reform is unnecessary. However, the anarchy that is affecting production must stop, said the conservative leader. The country's government has decreed changes in the agrarian reform law in order to promote distribution of land to the peasants. This is the opinion expressed by Rafael Cordova Rivas, the new coordinator of the PCDN and former member of the Sandinist government, when questioned by a newsman from this newscast.

[Begin Cordova Rivas recording] I believe that Commander Ortega's position on agrarian reform cannot be totally accepted by the Conservative Party -- that is, we would like him to maintain the order and the law established by the FSLN itself and put an end to the anarchy existing in the implementation of the agrarian law, anarchy from the pressure groups that are -- to a certain extent -- (?influenced) by others regarding the land. We must nver lose sight of production in agrarian reform. It will serve no purpose to further agrarian reform if we cannot increase production. Production is the second most important basis of our national activity after sales. This production is continually diverted by the measures and resolutions established on agrarian reform. [end recording]

CONTADORA GROUP'S CARABALLEDA MESSAGE VIEWED

FL131330 Havana Radio Progreso Network in Spanish 1200 GMT 13 Jan 86

[Station commentary]

[Text] The document approved by the Contadora Group foreign ministers and the Support Group at the end of their 2-day meeting in Venezuela seems to provide a satisfactory response to recent questions. Widely known as the Caraballeda message on peace, security, and democracy in Central America, it begins by acknowledging that it is urgent and necessary to renew the negotiation process being promoted by the Contadora Group.

The message also points out that after 3 years of negotiations, there persists an attitude and situation that makes difficult the reaching of a general and comprehensive agreement that would overcome the climate of hostility and check the arms race, foreign intervention, and the policies of force.

As a result, the document lists eight points considered necessary to recreate an atmosphere of confidence that assures that the parties involved will sign the Contadora act for peace and cooperation in Central America. Among the points cited, of particular importance is the role of the Contadora and support groups. One of the actions stressed in this point will be, as is stated in the message, renewal of negotiations between the U.S. and Nicaraguan governments to settle their differences and identify possibly understandings.

Precisely after these 3 years, it has become evident that without the positive participation of the United States and without any change in its aggressive policy towards Central America, it is practically impossible to achieve any kind of peace agreement.

As the Caraballeda message indicates, the dialogue between Managua and Washington, interrupted unilaterally by the latter, cannot remain interrupted without serious risks to Latin American peace and stability. Because of this and the other aspects within the document, the Venezuelan meeting of the Contadora Group foreign ministers and Support Group can be considered a source of disagreement with the military solution favored by Washington for the Central American conflict.

SALVADORAN ARCHBISHOP CONDEMNS AIR FORCE BOMBINGS

PA152127 Havana International Service in Spanish 1800 GMT 13 Jan 86

[Text] Salvadoran Archbishop Arturo Rivera y Damas has condemned government bombings in areas inhabited by civilians and has said that he witnessed damage caused by the Air Force during a 6-day tour in Chalatenango. During a mass celebrated in San Salvador after he returned from the tour, the Salvadoran prelate said his mission was to ease the pain of the people in the areas affected by war and to demand an end to the bombings. Msgr Arturo Rivera y Damas' statements contradict remarks made by Colonel Sigifredo Ochoa, commander of the Army in Chalatenango, who said that the Salvadoran Air Force had not attacked that region.

In his Sunday homily, the auxiliary bishop of San Salvador, Msgr Gregorio Rosa Chavez, said that there is no reason for the war in that Central American country and that a solution must be sought through dialogue or through peace and reconciliation, as the pastoral letter of the Episcopate states.

Meanwhile, the rebel station Radio Venceremos reported new clashes between guerrillas and Army soldiers in Chirilagua Canton, more than 150 km east of San Salvador, that resulted in 18 Army casualties and 3 rebels killed.

FORMER FDN HEAD ADMITS CONTRA ATROCITIES

PA150432 Havana International Service in Spanish 2310 GMT 13 Jan 86

["Our America" commentary]

[Text] The fact that a well-known former head of the Nicaraguan counterrevolutionaries has been forced to admit the crimes that are committed daily by the Somozist gangs against the civilian population of that Central American country provides some idea of the extent of the barbarism that has been unleashed with the financial support of the United States.

Recently, Edgar Chamorro, former head of the so-called Nicaraguan Democratic Force [FDN], stated that one would have to be brazen to pretend that the mercenaries respect human rights. He admitted that they utilize terror as a primary weapon in their incursions from Honduran territory.

In a letter published by the U.S. newspaper THE NEW YORK TIMES, Chamorro admitted that during the 4 years he headed that organization the strategy of terrorizing the civilian population constituted a premeditated method of carrying out contra activities. Thousands of civilians have been murdered or been subjected to mutilation, torture, or rape, according to Edgar Chamorro.

The $27 million that the U.S. Government decided to assign to the Nicaraguan counterrevolutionaries is administered by an agency that operates in Washington under the innocent name of the National Humanitarian Office. However, what the U.S. press rarely mentions is the $25 million that anticommunist organizations collected for the same purpose. This was revealed at the annual festivities of the World Anticommunist League held with great pomp and circumstance in several U.S. cities. To have some idea of the barbarity unleashed by the White House against Nicaragua, one only needs to know that as of November more than 11,000 people had died as a result of counterrevolutionary aggressions, more than 7,000 became orphans, and 5,000 were kidnapped, including the elderly women, and children.

Despite this inhuman policy, which began virtually from the triumph of the Sandinist revolution in 1979, the United States has increased its acts of aggression against Sandino's fatherland during the last few weeks through its Somozist lackeys and the puppet Honduran regime.

Nicaraguan President Daniel Ortega recently warned that 1986 will be a very dangerous year because of a possible military escalation in Central America promoted by the United States. In an interview given to the Argentine weekly EL PERIODISTA, Daniel Ortega stated that the White House is trying to destroy the revolutionary process underway in his country at the least possible political cost, and now, he added, it is considering a possible combined action by several Central American armies or direct military intervention.

However, the Nicaraguan people cannot be stopped and every day the Sandinist People's Army inflicts greater defeats upon the Somozist gangs, which are trying in vain to hinder the reconstruction of that Central American country and the building of a better future for all of the people.

HAITIAN UNREST, OPPOSITION TO DUVALIER VIEWED

PA130253 Havana International Service in Spanish 2310 GMT 10 Jan 86

["Our America" commentary]

[Text] Undoubtedly, December 1985 marked a strong resurgence of the Haitian people's struggle against the dictatorship. For the past three decades the people have suffered the outrages of the Duvalier dynasty. An outburst occurred early in this month in Gonaives after the sinister repressive organization known as Tonton Macoutes murdered three people, including a 13-year-old child. The city where national independence from French colonialism was proclaimed in the 19th century had already -- along with other geographical areas -- been the scene of demonstrations against the presidency for life imposed by Jean-Claude Duvalier and for the right for work and an end to the starvation that most of the Haitian people suffer.

Accustomed to silencing all expressions against his plans with blood, the dictator -- who enjoys full U.S. economic and military assistance -- ordered a strong deployment of police forces to the extent that, in the main urban centers and according to constant reports, the troops fire at anyone who moves on the streets at night.

On Wednesday the regime ordered the country's universities and secondary schools closed, hours after thousands of students declared a national strike for democracy and respect for human rights. The official communique sternly warned that the Interior and National Defense Ministries will violently repress all demonstrations against the government. According to an observer of the Haitian situation, however, famine, desperation, and the lack of liberty prevail over their fear of repression. The official communique had barely been announced when 2,000 citizens blocked the main freeway leading to Port-au-Prince, the capital, and threateningly told the drivers to leave their vehicles and shout slogans against Duvalier. Government vehicles were turned over and set on fire and their occupants were made the objects of clear rejection by the demonstrators.

The dictatorship's repressive actions even clash with religious sectors. The regime ordered two Catholic radio stations closed for broadcasting information on the popular rebellion. Meanwhile, in many churches the faithful attend services clad in black and barefoot as a sign of protest against the outrages of the ruling dynasty. Another sign of unrest occurred at the churches recently when parishioners beat lamps and benches. This only occurs during the Holy Week and is known as beating the dark [batir de las tinieblas].

Francois Duvalier, founder of the current dynasty, forbade the ritual in 1957 for fear that it might become an antigovernment action. The practice has again appeared 28 years later and has filled local authorities with concern. To top it off, Haiti's Union of Patriotic and Democratic Forces called on the people to rebel against a regime that it described as bloody, illegal, corrupt, and antipopular. Opposition leader Hubert de Ronceray, jailed for 1 month under charges of carrying out subversive activities, clearly expressed Haiti's current reality. During an interview with Radio Canada, he said: My country demands a change in regime. This is an unavoidable situation that the Duvalier government must accept.

SENATE PRESIDENT TO RUN FOR PRESIDENCY

PA151916 Paris AFP in Spanish 1508 GMT 15 Jan 86

[Excerpt] Santo Domingo, 15 Jan (AFP) -- Without waiting for the PRD's (Dominican Revolutionary Party) official announcement, Senate President Jacobo Majluta last night announced the decision to initiate his presidential campaign next Sunday. Majluta said that the PRD, the governing party of social democratic tendencies, approved his nomination and called for party unity.

The leader is requesting tripartite negotiations in which he would participate with defeated nominee Jose Francisco Pena Gomez, who is mayor of Santo Domingo, and President Jorge Blanco to achieve a joint agreement.

Last night, Majluta addressed the entire country on a private television station, in a new phase of the conflictive process that began at the thwarted party convention on 24 November 1985, which failed in the task of designating the PRD's presidential candidate for the 16 May 1986 elections.

BLANCO PLANS VISIT TO WEST EUROPE IN FEBRUARY

FL100400 Santo Domingo LISTIN DIARIO in Spanish 3 Jan 86, pp 1, 12

[Excerpts] President Salvador Jorge Blanco will travel to Europe during the first two weeks of February in response to invitations from the Spanish, German, and French Governments. There is also the possibility that he will visit Portugal.

It was reported that Jorge Blanco will sign technical, trade and cultural agreements with the Spanish, French, and German governments.

BRIEFS

SHIP CAUGHT WITH MARIJUANA -- Vice Admiral Ernesto Perez Navarro, Dominican Navy chief of staff, officially reported today that a Haitian-flag vessel caught with 458 bales of marijuana was bound from Santa Marta, Colombia to Haiti. The captain of the Island King Q 8 was U.S. citizen James Hoverbell, 38, and the owner is Haitian Alnort Basil. Perez Navarro noted that the ship's run-down appearance is deceptive because it is equipped with highly sensitive radar and other ultramodern devices. [Summary] [Madrid EFE in Spanish 1601 GMT 4 Jan 86 PA]

GRENADA

BLAIZE DEPARTS FOR CARIBBEAN UNION GROUP MEETING

FL152217 Bridgetown CANA in English 1924 GMT 15 Jan 86

[Text] St Georges, Grenada, Jan 15, CANA -- Grenada's Prime Minister Herbert Blaize and Public Utilities Minister Dr Keith Mitchell were leaving today for Jamaica to join other centrist political leaders in the formation of the Caribbean Democrat Union (CDU).

Mitchell told CANA he saw the Kingston conference as sending a clear message to the left in the Caribbean who are trying to regroup forces after setbacks brought about by the 1983 U.S.-led invasion of Grenada which was then Marxist ruled.

I think they (the left) would realize that we understand that unity is strength and so just as they have shown unity by making sure that they support each other in all sorts of activities, we believe our activities are the ones our people are interested in, and that they would realize that we are not sitting down anymore, he told CANA.

Blaize would be attending the conference in his capacity as political leader of the centrist New National Party (NNP) in Grenada and Mitchell as general secretary.

Prime Minister Edward Seaga's Jamaica Labour Party (JLP) is tomorrow and Friday hosting Prime Minister's Eugenia Charles of Dominica, Kennedy Simmonds of St Kitts and Nevis, Blaize and Chief Minister John Osborne of Montserrat who sign the declaration of Kingston establishing the CDU with their parties as members.

DIPLOMATIC RELATIONS ESTABLISHED WITH CANADA

FL151508 Bonaire Trans World Radio in English 1130 GMT 15 Jan 86

[Excerpt] Grenada and Canada have offically reopened direct diplomatic relations. They have been on hold since the U.S.-led military intervention in Grenada in 1983. The Grenada High Commission, which was established in 1974, was closed voluntarily shortly after the intervention and Grenada's affairs were handled by the East Caribbean High Commission. However, Mr Harry Ogilvie, a former candidate for election to the Grenada parliament on Herbert Blaizes's Grenada National Party ticket, has confirmed that he has received a letter of acceptance as consulate general from Canada's governor general.

HAITI

BUSINESSMEN SEND LETTER TO DUVALIER ON UNREST

FL151526 Bonaire Trans World Radio in English 1130 GMT 15 Jan 86

[Text] Haiti's President Jean Claude Duvalier received two different messages yesterday from his country's businessmen. One business group assured the president of its support, while another group of businessmen called for reform.

The differing messages to the president were carried in Haitian newspapers. The two business groups were the Association of Haitian Industries and the Chamber of Commerce and Industry.

The Association of Haitian Industries, which has among its members subsidiaries of American and European multinational countries, expressed concern over the climate of tension in Haiti and called on President Duvalier to respect the rights of man and fundamental liberty. The letter called for the restoration of democracy in Haiti and warned that until this comes about, Haiti will experience difficulty in attracting new industries to its shores and possibly will see foreign countries established there move elsewhere.

Meanwhile the open letter from the Chamber of Commerce and Industry pledged loyalty and support for President Duvalier.

ENVOY CHANGES, E. BLOC CREDIT TALKS REPORTED

PM151052 Rotterdam NRC HANDELSBLAD in Dutch 8 Jan 86 p 5

[ANP report: "Suriname Reorganizes Diplomatic Services"]

[Text] The Hague/Paramaribo, 8 Jan -- Within the framework of cutbacks and reorientation, Suriname is busy reorganizing its foreign policy. As a result it has abandoned an earlier plan to expand the number of its embassies abroad. On the contrary, diplomatic representation will be restructured in such a way that it will be possible to work with a small but professional staff. This was announced by Surinamese Foreign Minister Tjon Kie Sim at a press conference in Suriname this week.

The working area of certain embassies will be extended, the minister said. Thus the ambassador in Brussels will also be the ambassador for France, Czechoslovakia, and Romania, and his colleague in Washington will also be given responsibility for Canada. This reorganization will also affect Latin America and the Caribbean region, of which Suriname is a part.

Tjon Kie Sim announced that two ambassadors will be recalled from the United States. Donald MacLeod will be replaced in Washington by Arnold Halfhide, who is currently in Venezuela, while Henry Guda at the United Nations will be succeded on 1 April by Henk Herrenber, former ambassador in The Hague and currently director of the cabinet of Army Commander Desi Bouterse.

In Suriname there are various diplomats in circulation who scarcely have anything to do. When confronted with this situation, Minister Tjon Kie Sim said that these are people who are unable to accept policy. His ministry will have a talk with these diplomats, and if they are unwilling to work steps will be taken. The minister pointed out that the recall of officials from posts abroad should not be interpreted to mean that those affected are not competent, it is because they must not become strangers to the domestic front.

The minister announced that next month an ambassadors' conference will be held in Paramaribo at which the ambassadors will be given a program of action that is geared to what the country considers necessary for its development. This fits in completely with the new policy that foreign policy must function as an instrument for national economic development.

In this context the minister pointed to the various credit agreements, worth a total of $90 million, that have been reached both with countries in the Caribbean region and with countries in Asia. Talks are now going on with Eastern European countries, which the minister did not mention by name, with the aim of receiving credits in the form of goods from them. The talks are investigating how and for what term these credits can be acquired.

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REGIONAL MINISTERS SUPPORT CONTADORA DOCUMENT

PA151332 Managua Domestic Service in Spanish 1300 GMT 15 Jan 86

[Declaration issued by the Central American foreign ministers in Guatemala City on 14 January -- read by announcer]

[Text] The foreign relations ministers of Central America, meeting in Guatemala City for the inauguration of President Vinicio Cerezo, and after holding a working meeting with the foreign ministers of Colombia, Mexico, Panama, and Venezuela, members of the Contadora Group, and with the foreign ministers of Argentina, Brazil, Peru, and Uruguay, members of the Support Group, issue the following Guatemala declaration:

1. The foreign relations ministers of Central America, who are meeting for the first time with the foreign relations ministers of the Contadora and Support Groups, during an occasion deemd to be of major importance to the overall peace process in the region, have received from the ministers of eight Latin American countries the Caraballeda document for peace, security, and democracy in Central America.

2. Upon studying the Caraballeda document for Central American peace, security, and democracy, the Central America foreign ministers have agreed to express our adherence to the principles and purposes contained therein, reiterating our countries' commitment to achieve peace and stability through the Contadora Document for Peace and Cooperation in Central America.

We feel that by expressing our adherence to the initiatives and proposals contained in the Caraballeda document, the climate of mutual trust that will permit reaching peace and cooperation in Central America will be generated.

3. The Central American foreign relations ministers feel, and so acknowledge it, that the meeting of 13 Latin American representatives held in Guatemala City, as the means to find solutions for the region's problems, is an auspicious event that will contribute to consolidating the democratic future of all our countries.

We sign this declaration in Guatemala City, on the 14th of January 1986, the international year of peace.

Signed by the five Central American foreign ministers, in support of the Caraballeda document.

CONTADORA TO DISCUSS PEACE DOCUMENT IN PANAMA

FL162014 Mexico City NOTIMEX in Spanish 1623 GMT 16 Jan 86

[Excerpt] Panama City, 16 Jan (NOTIMEX) -- Panamanian Foreign Minister Jorge Abadia Arias has announced that the Contadora Group foreign ministers will meet next week in Panama City to work on the peace and cooperation document.

Abadia Arias said: The advances achieved in the recent Caraballeda, Venezuela, meeting were extraordinary, and now we will have to work more than ever as the Central American countries have asked us to do so that no dangerous gap is produced.

The Venezuelan [as received] foreign minister did not give an exact date as to when the Contadora Group -- composed of Mexico, Venezuela, Panama, and Colombia -- will meet.

OAS INCLUDES CONTADORA DOCUMENT IN AGENDA

FL151632 Bridgetown CANA in English 1100 GMT 15 Jan 86

[Text] Washington, Jan 14, CANA -- The chairman of the highest permanent political body of the Organisation of American States (OAS) today warned that failure by the Contadora Group in its peace initiative for Central America could have catastrophic results. The Contadora Group cannot fail and will not be allowed to fail, Ambassador Albert Xavier of Grenada told the representatives of Colombia, Mexico, Panama, and Venezuela, members of the Contadora Group, and of Argentina, Brazil, Peru, and Uruguay, members of a Support Group, as they delivered to him a copy of a new peace proposal for Central America adopted last weekend in Venezuela. We urge you to extend your efforts as failure to do so may have catastrophic results, Xavier told the delegates at the ceremony by which the OAS was informed of the new peace initiative.

Ambassador Val McComie, who is acting as secretary general of the OAS while Joao Clemente Baena Soares attends swearing in ceremonies in Guatemala for President-elect Vinicio Cerezo, also received a copy of the document known as Message of Caraballeda for Peace, Security, and Democracy in Central America. The council chairman announced that the new peace initiative will be included in the agenda of a regular session of that OAS body to be held Thursday morning.

PRESIDENTS TO MEET IN GUATEMALA IN MAY

PA161326 Panama City STAR AND HERALD in English 16 Jan 86 pp A 1 A 6

[By Hermes Sucre Serrano]

[Text] [Panamanian] President Eric Arturo Devalle announced yesterday that five Central American presidents will conduct a summit meeting next May in Esquipulas, Guatemala. Delvalle said that the summit is planned to evaluate and seek solutions to the current crisis existent in Central America.

The President's statements were made yesterday following his return from Guatemala where he had attended the inauguration of Guatemala's new president, Vinicio Cerezo Arevalo.

On his first trip outside the country since assuming this country's presidency on Sept. 27, 1985, President Delvalle remained three days in the Guatemalan capital, and during his stay there, he conducted interviews with Chiefs of State and others who were present during Cerezo Arevalo's inauguration, held last Tuesday.

The agreement for a Central American summit was made during a breakfast meeting held in the Guatemala Government Palace, in which presidents [as published] Jose Azcona Hoyo of Honduras, Jose Napoleon Duarte of El Salvador, Daniel Ortega of Nicaragua, Vinicio Cerezo of Guatemala, and President Delvalle participated.

Delvalle said that the summit will take place next May in Esquipulas, a frontier town near the borders of Guatemala, Honduras and El Salvador. "At this summit we will seek to fortify the friendly ties and look for effective mechanisms to attain peace in Central America," said Delvalle. Invited to attend the May summit are the Chiefs of State of Honduras, El Salvador, Guatemala, Nicaragua and Panama.

In referring to his first trip abroad since taking over from Nicolas Ardito Barletta, Delvalle told members of the local press, who accompanied him on his trip, that his mission had proven to be very positive, because it gave him the opportunity to converse with other heads of state who were in Guatemala, over the support which Panama will continue to extend in seeking a way out of the present Central American conflict.

Delvalle said that based on the Summit, the Presidents will reach a consensus for a "Guatemala Declaration" document to approve the peace proposal made by the Contadora Group at its last meeting in Venezuela.

GARCIA ADVOCATES REGIONAL 'EXECUTIVE BODY'

PY170013 Madrid EFE in Spanish 1928 GMT 16 Jan 86

[By Marisol Marin]

[Text] Lima, 16 Jan (EFE) -- Peruvian President Alan Garcia said today that Latin America needs "a kind of decisionmaking executive body" because efforts to confront the problems of the foreign debt and under development are insufficient.

Alan Garcia delivered the opening speech at the Latin American Parliament Executive Board meeting. He said that the first step toward that objective should be a meeting of presidents, putting aside the "outdated conditions" of most Latin American constitutions.

Garcia said: "If Latin America already has a parliament, it also needs a meeting of presidents."

The Peruvian president focused his 30-minute speech on the need for unity and integration among the Latin American countries to give impetus to a "continental revolution" and build a "new democracy."

Garcia added: "If we do not unite, every day that passes is a day of treason to the Latin American people."

The Peruvian president said that the basic objective of the common action should be to solve the foreign debt problem, which he labeled a "colonial bond," and to limit military expenditures because "no Latin American country can afford to fight another country."

Alan Garcia emphasized that without a concrete and thorough solution to the foreign debt problem, "democracy will exist in name only and will fail to promote the development of our people."

He said: "Without a solution to that problem, we can be neither revolutionary nor democratic in Latin America."

Garcia, who upon being inaugurated, announced that Peru would only allocate 10 percent of its imports to pay the foreign debt, said that "this situation only reflects the unequal exchange between the poor and the rich."

Garcia added: "(The debt) has already been paid several times over in this unequal exchange. The investments and credits of Latin America have already been re-exported several times."

Garcia also pointed out that growing protectionism and the "usury" of the interest rates have worsened the debt and that the recycled debt through new credits "were made under conditions detrimental to most of our people."

He also referred to the need to act jointly to defend the value of "our exports" because "we have to have wisdom so as not to live competing with our misery."

He added: "The new democracy for Latin America must break the colonial bonds associated with the foreign debt."

The Peruvian president repeatedly called for "action," indicating that the efforts Peru is making "against the grain, in the midst of great difficulties, misunderstandings, impatience, and shortages are part of something very important, which is "the continental revolution." [quotation marks as received]

The Peruvian president concluded his speech by calling on the representatives of the Latin American Parliament to urge their governments to make decisions and become aware that the future of Latin America must be "continental revolution and intergration."

Legislators from 19 countries are attending the Latin American Parliament Executive Board meeting, which will end on 18 January.

The problem of the foreign debt will be the main issue during debates but an action plan for 1986 will also be prepared and the possibilities of institutionalizing the parliament will be studied.

Since its creation in Lima in 1965, this is the first time that the Latin American Parliament has met in that city.

ALFONSIN MAY OPPOSE LEGISLATOR'S UK VISIT

PY160042 Buenos Aires TIEMPO ARGENTINO in Spanish 15 Jan 86 p 6

[Text] President Raul Alfonsin may suggest that Radical Civic Union [UCR] legislators cancel the visit they are planning to Great Britain on 14 February to hold talks on the Malvinas conflict in the face of what has been described as "unwillingness" by the government of Margaret Thatcher to hold a dialogue.

A high UCR source reported that President Alfonsin recently told Senator Adolfo Gass, chairman of the Senate Foreign Relations Committee, that he "was not convinced" of the usefulness of this trip to Great Britain. The UCR legislators may therefore decline the invitation to go on 14 February.

The source said that "although contacts among legislators are always more flexible than those among government officials, a visit by Argentine legislators at this time could give a break to Thatcher, who is now under heavy domestic pressure because of her inability to negotiate."

Senate Official Comments

PY161642 Buenos Aires TELAM in Spanish 2102 GMT 15 Jan 86

[Text] Buenos Aires, 15 Jan (TELAM) -- Adolfo Gass, the Senate Foreign Affairs Committee Chairman, denied this afternoon that President Raul Alfonsin has told Radical lawmakers that it would be advantageous to reject an invitation from their British peers to visit Great Britain to hold talks on the Malvinas Islands conflict.

In comments to Radio Rivadavia, Gass denied press reports that the president may have suggested that it would not be advantageous to accept the invitation at this time. The invitation is for mid-February.

Nevertheless, Gass admitted that he discussed the issue with the president and that he told Alfonsin the following: I will talk about the issue with Minister Caputo when he returns, because even though each branch of government is absolutely independent, and lawmakers can say or do what they deem most appropriate, I, in my capacity as a government official, will not take any stand without the agreement of the foreign minister.

Asked whether the presence of Argentine lawmakers in Great Britain might serve to reduce pressure on Prime Minister Margaret Thatcher's domestic policy, Gass replied: I do not agree with that, because we would be exerting strong pressure and we would be giving her new problems to confront. This is speculation that everyone can interpret in their own way.

$270-MILLION REFINANCING AGREEMENT SIGNED

PY160134 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0110 GMT 15 Jan 86

[Excerpt] Buenos Aires, 14 Jan (NA) -- Economy Minister Juan Sourrouille, U.S. Ambassador Frank Ortiz, and Eximbant [Export-Import Bank of the United States] President William Draper today signed an agreement to reschedule the Argentine foreign debt, using U.S. Government guarantees totaling approximately $270 million. For many years Eximbank has been supplying financial assistance to Argentine buyers to import U.S. goods and services. After signing and initialing this agreement, the Eximbank officials stated that they expect that Eximbank operations in Argentina will be promptly resumed, "with the goal of assisting Argentina in its economic growth and development."

To date Eximbank maintains investments and obligations in Argentina totaling approximately $740 million. The debts refinanced today with Eximbank are the ones that fell due on 31 December 1985.

U.S. Ambassador Ortiz signed the bilateral agreement on behalf of the United States. He also signed a supplementary agreement to refinance the obligations to the International Development Agency. Draper also signed the supplementary agreement on behalf of Eximbank. On the Argentine side, the agreements were initialed by Sourrouille, who was accompanied by Secretary of Finance Mario Brodersohn and Juan Somer, foreign, domestic debt, and treasury under secretary.

The refinancing covers obligations totaling approximately $270 million, of which $260 million is owed to Eximbank. This agreement follows the ones already reached with French, Spanish, FRG, Japanese, Canadian, and Austrian official agencies totalling approximately $1.1 billion. The Argentine Economy Ministry has stated that "the signing of these agreements opens new possibilities for long-term financing of the importation of capital goods and services by the Argentine private and public sectors. These import operations have been interrupted since 1982 because foreign obligations are in arrears."

FALSE BOMB ALARM REPORTED AT U.S. EMBASSY

PY162356 Madrid EFE in Spanish 2317 GMT 16 Jan 86

[Text] Brasilia, 16 Jan (EFE) -- The U.S. Embassy suspended its activities for nearly an hour today when embassy personnel received a package by mail that seemed to be a bomb, the firemen's office has reported. Upon receiving the daily mail, embassy personnel immediately set aside a medium-sized package they suspected might be a bomb and called the police.

The Fire Department bomb squad examined the package, opened it, and found a harmless toy sent from abroad, probably for Christmas or for the Three Kings, the police report said

SARNEY REJECTS FUNARO OFFER TO RESIGN

PY170053 Rio de Janeiro O GLOBO in Portuguese 15 Jan 86 p 19

[Text] Brasilia -- "Absolutely not, I will not allow you to say that." With these words, President Jose Sarney yesterday emphatically rejected Finance Minister Dilson Funaro's offer to resign in the belief that his health problem might cause discomfort and embarassment to the administration.

According to a Planalto Palace source, this short conversation took place before the meeting of President Sarney with Interior Minister Ronaldo Costa Couto, Agriculture Minister Pedro Simon, and Planning Minister Joao Sayad. This meeting, in which Funaro also participated, started at 1120, and its purpose was to approve the program for the irrigation of the northeast.

The finance minister returned on 13 January from New York, where he had consulted Dr David Strauss at the Sloan-Kettering Memorial Center. Dr Strauss prescribed some Leukeran and Prednisionone pills, which Funaro began taking on 10 January, thus beginning treatment to cure him of recurrent lymphatic cancer, which appeared again last Christmas after 3 years of remission.

While Funaro was consulting Strauss in New York, rumors circulated in Brazil that he might be removed in a Cabinet shuffle because of his recurrent cancer. It was even reported that Central Bank President Fernao Bracher had been suggested to President Sarney as a possible replacement for the finance minister.

In view of these rumors, Funaro yesterday decided, according to the Planalto Palace source, to tender his resignation to President Sarney to help the administration. President Sarney's refusal was emphatic.

BISHOPS RELEASE DECLARATION CALLING FOR DIALOGUE

PY160235 Santiago Radio Chilena in Spanish 2200 GMT 15 Jan 86

[Text] Chilean bishops released a declaration this afternoon expressing the urgent need to offer the Chilean people dialogue, coexistence, and agreement. The document entitled "We Shall Neither Be Silent Nor Take Rest," released this afternoon by the Permanent Committee of the Episcopate, expressed concern over the national situation. The bishops said that the issue of reconciliation is a basic mission of the church, and it is a concern throughout the world. They added: In Chile there are reasons why we must discuss and accept this task. We see our country regrettably and dangerously divided. We are seeing events develop very quickly.

The bishops added that they feel an urgent need for dialogue, coexistence, and agreement, without supporting the government, the opposition, or any political party. They said: We insist that reconciliation among people, even among politicians, is based on reconciliation with God. The bishops also stated that the government's rejection of the National Accord for the Transition to Full Democracy was bad news for many Chileans. They said: Despite this rejection, we believe it is only an episode along the road which will take us to peace. The destiny of 12 million Chileans depends on everyone and cannot depend on the criteria and will of only a few.

The document of the Episcopate says: We hope that the president, members of the Government Junta, the Cabinet ministers, and all the people responsible for governing this country will be able to listen to the Chilean people, who are expressing themselves in various ways, such as the elections being held in various organizations. Their guilt will be great within their own consciences and history if they did not do so.

The document adds: The Catholic Church has been preaching the gospel in Latin America for the last 500 years, and our country will neither be silent nor rest when the people are restless and searching for a road to the future. The hopeful visit of Pope John Paul II to Chile causes us to dedicate our greatest effort to creating an environment of reconciliation this year. The bishops explain that the Holy See does not want to link the pope's visit to a determined political situation, and it is clear that he wants to find a fraternal church and a country full of good will, happiness, and hope, and not harshness, fear, or hate.

CARABINERO MAJOR ARRESTED IN TRIPLE MURDER CASE

PY161709 Madrid EFE in Spanish 0224 GMT 16 Jan 86

[Text] Santiago, 15 Jan (EFE) -- Carabinero Major Guillermo Gonzalez Betancourt has been arrested and is being held incommunicado by order of the special judge who is investigating the murder of three communist professionals, Manuel Guerrero, Santiago Nattino, and Jose Manuel Parada. The triple murder, which occurred in March 1985, deeply moved the Chilean public. The specially appointed appeals court judge today ordered a witness confrontation between Gonzalez and Miguel Stay Reyno, alias "El Fanta," who is accused of having been a member of a Chilean Carabineros special repression force once commanded by Gonzalez.

"El Fanta," who before becoming a security agent was a leader of the Chilean Communist Youth, according to witnesses participated in many activities of the so-called "dirty war." Estay Reyno is being held incommunicado in a Santiago prison while Major Gonzalez is being detained in the Santiago Carabineros School.

FUT RALLY TO PROTEST PRICE WAGE INCREASES

PA160425 Paris AFP in Spanish 2204 GMT 15 Jan 86

[Text] Quito, 15 Jan 86 (AFP) -- The Ecuadoran police today suppressed antigovernment protests which occurred for the third time this week in Quito. Meanwhile, the United Workers Front (FUT) has called a rally tomorrow against the increase in the cost of living. Today's demonstrations were a continuation of last weeks's incidents in which 4 participants were injured, 50 arrested, and police used clubs, water hoses, and tear gas to restore order and clear the streets leading to the center of the capital of the demonstrators' smoking barricades. The government has said there is no reason for the protests, denying that there will soon be an increase in the price of fuel.

Acting Education Minister Eudoro Loor has announced that classes will be suspended until further notice at the Jose Maria Sanchez, Rafael Larrea, Santiago of Guayaquil, and Mejia Schools, whose students participated in the demonstrations.

Leaders of the workers', students', and teachers' organizations have said that an antipopular policy exists, characterized by the violation of human rights and repression, and that price increases have been unleashed since President Leon Febres Cordero implemented a 17.6-percent wage increase at the beginning of this year. These leaders have demanded higher salaries, stating that the wage increase is not enough to cover the new price increase and that it is below the 25-percent inflation rate experienced in 1985.

Jose Chavez, Ernesto Alvarez, Ramiro Beltran, and Luis Tinoco, presidents of the FUT and of the Ecuadorean Confederation of Free Union Organizations (CEOSL), the People's Front (FP), the National Union of Teachers (UNE), and the Federation of Ecuadoran University Students (FEUE), respectively, have called a "single great meeting" for tommorrow. They announced that there will be similar demonstrations throughout the country to "reject the regime's antipopular policy, the permanent violation of human rights, and the brutal police repression that has been unleashed against the people."

The meeting will also support the seven-point platform approved last month, which includes demands for wage increases; defense of human, political, and labor rights; the right to habeas corpus; and the country's sovereignty. The particiapants in the meeting will also oppose foreign debt payments and IMF recommendations and will demand the abrogation of the National Security Law.

Last week's protests took place in various areas of Quito, particularly those near the Central University, whose authorities complained to the government about the presence of soldiers on the university grounds and protested the violation of the university's autonomy.

DROP IN LONG-TERM OIL PRICES 'GROWING'

PA152336 Buenos Aires REUTER in Spanish 0225 GMT 15 Jan 86

[Text] Quito, 14 Jan (Reuter) -- Ecuador said today the drop in its long-term oil prices on the market is growing, but it expressed hope that the situation will change soon.

Energy Minister Fernando Santos Alvite [as received] said that from January to November 1984 Ecuador sold its crude at an average price of $26 per barrel; in December it dropped to $24.20; and in the first 2 weeks of this year it fluctuated between $24.20 and $24.30 per barrel.

Ecuador, a marginal partner in OPEC, presently sells 127,000 barrels daily (BPD) by long-term contract. In August it dropped the practice of fixed prices for its sales and adopted the system of fixing the price on a daily basis based on market fluctuations.

"The oil maket is quite weak, and it may remain so until the end of February," the official said at a news conference. He added that Ecuador is waiting for a definition of the situation at the upcoming meetings of a special OPEC committee and the cartel's oil ministers in the next couple of months.

"We are optimistic that OPEC will draft a strategy designed to stabilize the market and that the nonmember nations of the organization will have thought it over and concurred that it is the task of all producers to achieve that stability," he noted.

Santos Alvite added that a further weakening of the crude prices or their collapse would be harmful to the 13 OPEC partners, as well as to the nonmember producers and the world economic system in general.

"In the upcoming OPEC meetings, Ecuador will propose drafting a price structure more harmonious with the market, taking into account the real forces, not merely the speculative ones. We believe that the idea of adopting an average crude price as a reference is postitive, in principle," he concluded.

REPUBLICAN NATIONAL COALITION REGISTERED AS PARTY

PA161719 Quito Voz de los Andes in Spanish 1130 GMT 16 Jan 86

[Text] A political party is once again officially operating in this country, as the Supreme Electoral Tribunal has recognized and ordered the registration of the board of directors of the Republican National Coalition [CNR, Coalicion Nacional Republicana], after approving the report submitted by the Juridical Commission, which states that the requesters have presented the documents required by the Law on Political Parties.

This party was formerly known as CID [Democratic Institutionalist Coalition], and its national head is Guillermo Sotomayor.

MINISTRY ISSUES COMMUNIQUE ON KENNEDY REMARKS

PY160232 Asuncion LA TARDE in Spanish 15 Jan 86 p 10

[Text] The Interior Ministry this morning released the following communique on the statements by U.S. Senator Edward Kennedy:

Concerning the statements that U.S. Democratic Party Senator Edward Kennedy has made over Paraguayan radio stations in conversations with some alleged exiles like Gonzalez Casabianca, Saguier, and others in the Argentine capital, Interior Minister Dr Sabino Augusto Montanaro, the first vice president of the Colorado Party executive board, has stated:

We once again reiterated that we firmly and categorically reject the statements and the attitude of U.S. Senator Kennedy. We believe that before passing judgment on the institutions and the government of the sovereign and independent Paraguayan Republic, the U.S. senator should tell the Paraguayan people about the circumstances in which he let his secretary drown in Chappaquiddick to conceal that he had spent a weekend with her. That strange event, for which few explanations have been given despite the fact that it was a clear violation of human rights, was committed right there in Washington, the capital of the United States. [as published]

But there is still more: We would like to know whether Mr Kennedy knows or whether he has ever been told about the massive human rights violations committed in Paraguay when the Paraguayan youth were machine-gunned in front of the Lopez Palace on 23 October 1931, for the "serious crime" of having demanded that the Chaco be defended. At that time, the Liberal Party was in power.

Does Mr Kennedy know the list of the dead and injured, who were young high school students and girls from the school of education? Does Mr Kennedy know the bloody human rights violations committed on 7 March 1947, when innocent people were either killed or injured as Febrerista Party followers attacked the Asuncion police headquarters on another gray and bloody morning for the Paraguayan capital?

Does Mr Kennedy know the human rights violations with murders and crimes committed by followers of the Febrerista, Liberal, and Communist Parties in their bandit-like raids of Alto Parana and Ybytyruzu in 1959 and 1960, which are among the "actions for liberation" for which his interlocutors at the Buenos Aires Sheraton Hotel yesterday are responsible?

Does Mr Kennedy believe that Paraguay is a Central American or a Caribbean banana republic or that it is like the state [as published] of Puerto Rico, which the United States handles as appendixes to the U.S. Administration?

We reiterate that Paraguayan problems will be solved by Paraguayans, and that under the legitimate leadership of His Excellency the President of the Republic, Army General Alfredo Stroessner, who has championed the Colorado Party program and principles from the Lopez Palace, we will continue to give the Paraguayan people peace, progress, development, and orderly democratic and republican institutions, as established in the Constitution. The Paraguayan Constitution is another achievement by Paraguayans and for Paraguayans, even for those who are now begging for foreign intervention to satisfy their lust for power because of their well-known lack of popular support.

MINISTER DISCUSSES NATIONAL ACCORD, DIALOGUE

PY162137 Asuncion Red Privada de Teledifusora Paraguaya Television in Spanish 1500 GMT 16 Jan 86

[Text] Here are the statements made by Interior Minister Sabino Augusto Montanaro.

[Begin recording] [Montanaro] Every day we read the newspapers -- morning dailies and evening dailies -- and listen to numerous radio stations that cover the opinions and statements of my fellow Colorado Party members and members of the opposition parties, both recognized and unrecognized, that is, the regular and the irregular parties.

They report a great national dialogue sponsored by the National Accord, which has asked the church to mediate, and by other people.

We have already stated, and we insist and reassert that we are constantly holding a dialogue. You know very well that a dialogue consists of exercising democracy and not of holding secret illegal meetings and making shady deals with the opposition parties. A dialogue is held through elections. You run in the elections. You vote, and the winner exercises power. The winner governs, and the loser helps the government, and through criticism, contributes to the improved development of the democratic institutions. Dialogue lies in the ballot boxes used for general elections for president of the Republic, deputies, senators, and councilmen of Asuncion and the towns in the interior of the Republic. This is the great national dialogue, the one we sponsor and will champion, and will always implement because political parties will fully accomplish their mission only if they participate in elections and, through the seats they may win, they take part in a system where minority and majority parties share governmental responsibities. The nonparticipants are the ones who do not want to hold a dialogue. Those who do not participate in the elections, those who, aware of their lack of popular support, that is, their weak ratings within their own party cadres, fear once again that they will be exposed to lack of popular support, like the Christian Democrats, who call themselves a party when they are not a party yet. They are a Christian Democratic movement on the way to forming a party, which they will not do until they meet the requirements provided for by the Constitution and the electoral law. Thank you very much.

[Unidentified reporter] Mr Minister, does the national government provide absolute guarantees for recognized parties or even those parties that have not yet formed their cadres as prescribed by law?

[Montanaro] They have the power to do so, and we are not denying them permission or authorization to publish their organs, to broadcast their programs, and to assemble as often as they please in different places in the Republic.

We do ask them to inform us of the place, date, and time of their meetings, in order to guarantee them what is established by the Constitution, the right to assemble so that they are not harassed and caught by surprise by their own fellow members who sometimes are the ones who ask that a meeting be suspended because of internal party conflicts. We provide guarantees, and we inform the authorities in the interior of the country to provide them guarantees. Thank you very much. [end recording]

MRTA GUERRILLAS PROTEST KENNEDY VISIT

PY161814 Paris AFP in Spanish 1725 GMT 16 Jan 86

[Text] Lima, 16 Jan (AFP) -- The Civil Guard has reported that a Tupac Amaru Revolutionary Movement (MRTA) guerrilla commando today occupied Radios Onda Popular and Exito in Lima and broadcast a subversive recording against the visit of U.S. Democratic Senator Edward Kennedy.

A manager of the radios, which operate together in a building located in the residential district of Miraflores, said that approximately seven young armed individuals entered the premises at 1615 GMT and held approximately 12 persons at gunpoint, including secretaries and employees.

SHINING PATH KILLS 5, STEALS DYNAMITE, ARMS

PY160028 Paris AFP in Spanish 1556 GMT 15 Jan 86

[Text] Lima, 15 Jan (AFP) -- Police reported here today that a Shining Path column has shot and killed four peasants and a professor in the remote district of Huayllapa, and that a subversive leader was killed when dynamite he was carrying went off in Puno.

The source said that some 25 terrorists, armed with submachine guns and revolvers, raided Huayllapa in Ancash Department on January 13, 400 km northeast of Lima, forcing five people out of their houses, and executing them in the presence of their relatives. The terrorists, who charged the five with opposing the armed struggle, looted stores and houses and then fled after seizing an undetermined number of cattle.

Meanwhile, in Puno, 1,315 km southeast of Lima, student leader Justo Pastor Castillo, 31, died on 14 January during a 7-hour operation at a hospital. He sustained extremely serious injuries when a bomb, which he was apparently going to use for a terrorist attack, went off.

Castillo, known to be the leader of a political group called Pukallacta (Red People), a radical splinter of the Communist Party, lost his left arm and left leg and sustained serious injuries over almost all of his body.

The Puno Civil Guard antisubversive squad has reported that among his papers, Castillo carried a coded document, which police are trying to decode, and that the Pukallacta group has apparently staged terrorist actions jointly with the Shining Path.

Castillo, who until 1985 was the president of the Universidad Nacional del Altiplano student federation, was arrested on terrorist charges in June 1985, and held a Fronton Prison in nearby Callao port. He was prosecuted but found not guilty and was released on 26 September 1985.

In Huancayo, 300 km southeast of Lima, on 14 January a terrorist cell held up a truck in Huaribambilla and seized 4,500 dynamite sticks.

In the area known as Jaratu (Huancayo), in the high Andean Plateau, a patrol tracking terrorists on 13 January discovered 183 boxes containing dynamite, 277 boxes containing detonators, 1,700 meters of fuse, arms, and other materials which were taken to the Colcabamba police station, the source added.

Finally, in two separate actions, armed Shining Path members held up two electoral registry offices in the Miraflores district of Lima, and in Huancayo, seizing 390 blank electoral cards.

POLICE RAID 'TERRORIST CLINIC' IN LIMA

PY161312 Lima Panamericana Television Network in Spanish 0200 GMT 16 Jan 86

[Excerpt] Police have raided an alleged clinic for terrorists that was located in an apartment of the Los Cipreses housing unit. In the raid, police found four injured people, and the body of a woman. Four arrests were made, and police confiscated a large amount of subversive materiel and Shining Path propaganda.

The police summoned the judge and the attorney general to the scene so they could order the transfer of the injured and the removal of the body. Pertinent investigations are being carried out in complete secrecy.

BRIEFS

NEW AMBASSADOR APPOINTED -- The government has appointed four new ambassadors. Jose Urrutia will be the new Peruvian ambassador in Yugoslavia; Luis Solari will be Peruvian ambassador in Italy; Guillermo Nieto will be Peruvian ambassador in the ROK; and Javier Ortiz will be Peruvian ambassador in Panama. [Summary] [Lima Radioprogramas del Peru in Spanish 2300 GMT 14 Jan 86 PY]

COPPER PRODUCTION FIGURES -- In 1985, copper production yielded $360 million in revenues. It has been noted that in 1985, the mining sector produced a total of $675 million and that of this total, the copper sector produced $440 million. [as heard]. [Excerpt] [Lima Radioprogramas del Peru in Spanish 2300 GMT 14 Jan 86 PY]

EEC COMMISSIONER CHEYSSON MEETS DE LA MADRID

FL162116 Mexico City NOTIMEX in Spanish 0415 GMT 16 Jan 86

[Text] Mexico City, 15 Jan (NOTIMEX) -- The Contadora Group's peace-keeping efforts in Central America have the support of the members of the EEC, Claude Cheysson, EEC commissioner for international cooperation, has stated.

Cheysson was received in private audience by President Miguel de la Madrid, with whom he discussed diverse matters of international interest, including the Latin American foreign debt, peace in Central America, and EEC cooperation with Latin America and Mexico.

Claude Cheysson announced that the EEC will soon make public a new declaration of support for the Contadora peace-seeking activities, adding that the European community continues to give priority attention to the problem of Central America.

Commissioner Cheysson said that the Caraballeda declaration, which clearly defines the guidelines for alleviating the Central American situation, and the Guatemala declaration, issued yesterday by the foreign ministers of the region, constitute clear proof of the political will to establish a climate of peace and cooperation. He added that last November the EEC signed an agreement establishing a program of cooperation between the EEC and the Central American countries.

In his conversation with President De la Madrid, Cheysson analyzed the perspectives of the next round of negotiations with GATT which, he said, offer the possibility of improving the international economic situation, and he referred to the advantages Mexico will enjoy when it joins GATT.

At the meeting, which Foreign Relations Secretary Bernardo Sepulveda also attended, it was agreed that it is advisable to draw up new cooperation programs and projects between Mexico and the EEC, in addition to revising existing programs and projects. Cheysson arrived in Mexico from Guatemala. During his audience with President De la Madrid, he expressed interest in learning the points of view of the Mexican Government on the major subjects of international interest and on the relations between the EEC and our country.

Cheysson will remain in this capital until tomorrow, Thursday, to meet with secretary of finance and public credit Jesus Silva Herzog, Energy Secretary Francisco Labastida, Commerce Secretary Hector Hernandez Cervantes, and the director of the Bank of Mexico, Miguel Mancera.

Holds Press Conference

FL170323 Mexico City NOTIMEX in Spanish 2245 GMT 16 Jan 86

[Text] Mexico City, 16 Jan (NOTIMEX) -- The EEC has offered aid amounting to several million dollars for the reconstruction of Mexico City and for the return of Guatemalan refugees who are settled on the southern Mexican border, EEC Commissioner for Latin America Claude Cheysson announced today.

Cheysson, who is visiting Mexico, reported at a press conference that the amount to be given to repair the damages caused by last September's earthquakes in Mexico will be determined after examining existing projects but he pointed out that priority will be given to hospitals.

He asserted that during yesterday's meeting with Mexican President Miguel de la Madrid, he expressed the interest of the European countries for the Guatemalan refugees settled in Mexico to return to their country since Guatemala has returned to democracy.

He indicated that he discussed with the Mexican head of state future meetings of the EEC bilateral commission for the development of marketing studies aimed at broadening cooperation between Europe and Mexico.

He underscored the pressures placed by the international community to find solutions to the Central American crisis and said that if the European countries would have not given their support to the peace process, war would have already broken in that area.

After strongly criticizing those who finance and support terrorism, Cheysson noted that cooperation between the EEC countries' security systems will be maintained to combat terrorism. He asserted that new terrorist acts have been avoided, and some people involved in terrorism have been apprehended because of this cooperation.

Regarding the economic boycott imposed by the United States against Libya, he reiterated the EEC's position on opposing countries taking unilateral decisions. He said the UN Security Council is the only body that can take that kind of decision. He added that it is very dangerous to make threats that will not have good results and that can be avoided.

He reiterated the EEC support to the peaceful solution of the Central American conflict and indicated that European economic aid will not be useful until there is peace in the area.

He said that although the EEC has not made public its view on the Baker Plan, he gave his personal opinion and asserted that it is an important improvement of U.S. policy regarding Latin America's economic problems.

He indicated that it is a program that should be completed by the Latin American countries and believed that the $20 billion aid is insufficient.

The EEC commissioner for international cooperation paid a private visit to Energy, Mines, and Parastatal Industry Secretary Francisco Labastida Ochoa, with whom he discussed international matters.

OFFICIALS MEET WITH VISITING BELIZEAN MINISTERS

FL160407 Mexico City NOTIMEX in Spanish 0337 GMT 16 Jan 86

[Text] Mexico City, 15 Jan (NOTIMEX) -- Today, Secretary of Energy, Mines, and Parastatal Industry Francisco Labastida Ochoa met with Belizean Ministers of Energy and Industrial Commerce Israel Alpuche and Dito Juan [as received] and discussed matters of bilateral interest.

Energy Under Secretary Jose Luis Alcudia Garcia, chief of technical support for international matters Liborio Villalobos Calderon, and director general of international transactions for energy of parastatal industries Hector Alvarez de la Cadena, were present at the meeting.

Likewise, other officials from Pemex, the federal commission of electricity, and Mexican Ambassador to Belize Manuel Martinez del Sobral were also present.

TRADE WITH GDR DROPS 95 PERCENT IN ONE YEAR

FL162242 Mexico City NOTIMEX in Spanish 1822 GMT 16 Jan 86

[Text] Mexico City, 16 Jan (NOTIMEX) -- In 1 year, trade between the GDR and Mexico decreased more than 95 percent, dropping from $73 million in 1984 to $2 million in 1985.

The National Association of the Processing Industry (Canacintra) said that, because of this situation, Mexican exporters will participate in the next Leipzig fair in the GDR, from 16 to 22 March, to promote bilateral trade between the two nations.

During a meeting of Mexican industrialists, GDR Trade Counsellor Maxim Heim, said his country had agreed to make a special concession to Mexican exporters so they will have no expenses during their stay in the GDR.

During the meeting it was said that with Mexico's participation in the Leipzig fair, it will not only promote its products in the GDR but throughout the world and especially in the socialist countries.

NATION PREPARES FOR POSSIBLE OIL MARKET COLLAPSE

FL160105 Mexico City NOTIMEX in Spanish 0340 GMT 15 Jan 86

[Text] Mexico City, 14 Jan (NOTIMEX) -- The economic consultant firm Business Trends [preceeding two words in English] has asserted that Mexico is taking measures in the event of a possible collapse of the international crude oil market.

It indicated that the measures consist of providing cheaper labor to attract foreign investments and assembly plants to the country.

It pointed out that the Mexican Government and New York banks are aware that in case of a collapse of the oil market, a suspension of payments will be requested and granted, inasmuch Mexico is not able to make foreign debt service payments.

The firm added that Mexico is too important for the U.S. strategic and business interests to neglect it.

GOVERNMENT ANNOUNCES NEW ANTIDRUG OPERATION

PA161238 Mexico City EL DIA in Spanish 11 Jan 86 p 6

[By Jose Garcia Segura]

[Text] The Office of the Attorney General will initiate an intensive mobilization of human and material resources in the four most troublesome states of the country, because of the scale on which marijuana is being planted, processed, stored, traded, and distributed in those four states.

The Coordinating Board of the Permanent Campaign Against Drug Traffic, has stated that last year's activities against the drug traffic cannot be compared with the actions that the attorney general's office will undertake in the states of Sinolaoa, Sonora, Chichuahua, and Durango.

In Chihuahua, in a single operation carried out on 9 November 1984 with the Army's support, the Mexican police destroyed the most impressive prepared [empaquetada] shipment of marijuana to date, which is known to have belonged to drug trafficker Ragael Caro Quintero.

Last August, Mexican federal agents clashed en masse with drug trafficking bands. Statistics show that over 400 federal agents and some 500 soldiers, as well as state and municipal policemen, participated in this operation.

Some 82 helicopters, small planes, and passenger planes will travel to Sinaloa. Several reconnaissance flights have already been made over more than 100,000 km of mostly mountainous country.

Some 20 so-called "main bases" are located in Culiacan, Mazatlan, Navojoa, Guasave, Guachochic, Parral, Choix, Tepehuanes, and San Jose de los Llanos, These bases will allow the military and the federal agents to expand their field of action.

Official sources have reported that some 200 million pesos will be invested in the new antinarcotics operation.

The Drug Control Directorate reported that as of last year, a little over 3,000 poppy fields and almost 6,000 marijuana fields had been located. Vehicles, prepared marijuana, seeds, and short- and long-range weapons of various calibers were confiscated.

DELVALLE RETURNS FROM GUATEMALA; VIEWS CONTADORA

PA161746 Panama City Televisora Nacional in Spanish 0000 GMT 16 Jan 86

[Text] President Eric Arturo Delvalle today attended a working breakfast with Guatemalan President Vinicio Cerezo in the course of which important agreements were reached. Presidents Jose Napoleon Duarte of El Salvador, Belisario Betancur of Colombia, Daniel Ortega of Nicaragua, and Honduran President-elect Jose Azcona del Hoyo also attended the meeting.

Later, President Delvalle and his party were seen off by President Cerezo and he boarded a Panamanian Air Force plane to return to Panama.

Back in Panama, President Delvalle made the following statement:

[Begin recording] For me, the most important thing during this entire trip was the so-called Guatemala declaration, in which the five Central American countries, through their foreign ministers, last night ratified the Caraballeda agreement. For us, this is renewed cause for faith in the fact that Contadora is alive and that it remains the method and the path to achieving peace in Central America through dialogue. [end recording]

NORIEGA SAID TO PROMOTE GOVERNMENT JUNTA

PA161738 Panama City QUIUBO in Spanish 16-23 Jan 86 p 4

[By Wilfi Jimenez]

[Excerpts] Word that the Panamanian National Defense Force's leadership is probing the possibility of installing a government junta under the umbrella of the publicized "Great National Agreement" that would unite the government and opposition sectors spread like wildfire among the national political sectors this week.

According to information gathered by QUIUBO from political, business, and military sources, the "junta" would be composed of Rodolfo "Popito" Chiari, Harmodio "Harmodito" Arias, and Bolivar "Boli" Pedreschi.

This weekly's reporters were able to confirm, through a source close to one of the proposed members of the junta, that General Noriega himself "had mentioned the matter" at his beach house in Farallon. At his beach house, accompanied by Government Minister Rodolfo Chiari and General Directorate of Community Development Director Cesar Augusto Maylin, Gen Noriega explained that the purpose of placing the government in the hands of a "junta" would be to end the "political deadlock" that has brought the country to a dangerous standstill in which the national economy is practically paralyzed. This situation could place us on the verge of violence like the one being experienced by our Central American neighbors.

The sources said that the triumvirate proposed by Noriega would be in office for a couple of years. During the first 6 months in power, the triumvirate would convoke a constituent assembly and lead up to general elections -- president, vice presidents, deputies, and mayors -- before its 2-year term ends.

It is said that Gen Noriega could be the "sure candidate" for the president and that Tomas Gabriel "Fito" Altamirano Duque could be one of the vice presidents.

QUIUBO was able to establish that "contacts" have been made with at least three groups of the opposition. Directly or indirectly, the military men, or their inseparable companions, have "talked " with members of the Christian Democratic Party, the Authentic Panamenist Party, and the Authentic Liberal Party. It seems that there exists "a certain favorable environment" to reach the so-much talked about "Great National Agreement" to "patriotically overcome the current economic, social and political crises experienced by the country."

If an "agreement" with the Arnulfistas [followers of Arnulfo Arias Madrid] is reached, some leaders of the Authentic Panamenist Party will convoke a national convention to appoint a new directorate. Arnulfo Arias Madrid would not be a member of this new directorate; however, he would be given the title of "perpetual president" but with no decision-making power. This would ensure the party's participation in the "Great National Agreement."

In conclusion, it seems that this matter has "the gringos' o.k." They would support Noriega's effort if this ensures "peace in the canal area."

EDITORIAL SUPPORTS NORIEGA ON TORRIJOS 'ERROR'

PA160354 Panama City CRITICA in Spanish 13 Jan 86 p 4

[Editorial: "Political Power and Economic Power"]

[Text] General Torrijos' great mistake was leaving the economic power untouched following the 1968 coup, in which patriotic military men and civilians ended the arrogance of a corrupt and submissive oligarchy, at which history clearly points an accusing finger. Today's generation only has to recall the past (as one should) to learn of all the ill-gotten wealth accrued, and all the scandal and human misery caused by many "blue-bloods" whose heirs have forgotten, as if their present fortunes were the result of honesty and good citizenship.

For the record, CRITICA is and has always been Torrijist, although that does not mean that it does not acknowledge "the great error" of the dead leader. However, analyses, treaties, and other reflections on the realities of the October epic inevitably lead to the fact that all revolutions become crippled if the political and economic powers are not balanced.

Proof of this is the present reality. The great commercial and merchant consortiums seem not to care about the country if they can increase their partisan demagoguery. That is why they defy the official institutions without caring about the consequences. They cannot tell the difference between local politics and the fatherland, or see that one can speculate and improvise with local politics, but never with the national interests. Herein lies the present great danger.

Based on foregoing, CRITICA totally agrees with General Noriega when he says that we are being bombarded by unthinking economic terrorism that conspires against peace. The same goes for President Delvalle, when he lashes out at known groups for "irresponsibly using financial difficulties to feed selfish political interests." CRITICA concludes: If we know where the evil is, why not start to attack it?

COSTA RICA

MONGE SUGGESTS DEBT POLICY IN NEW YEAR'S MESSAGE

PA160038 San Jose LA NACION in Spanish 6 Jan 86 p 6

[Text] In his New Year's message via television last night, Costa Rican President Luis Alberto Monge said 1986 will be a good year for the homeland.

He said the Costa Rican people's civilist traditions of progress in peace should be guarded from foreign forces and party emotions.

Although he advocated every Costa Rican struggling for his own party, Monge demanded that everyone join the president-elect after the election is over in order to consolidate democracy.

He stressed the efforts carried out by his administration and pointed out that his government "has held the responsibility of leading a country far different from what it was in 1982."

Mentioning some social and economic progress indicators, Monge announced that he will meet with the president-elect when the Supreme Electoral Tribunal (TSE) so orders to continue an exemplary tradition.

Regarding his government's treatment of the foreign debt, the president suggested that the debt be refinanced as soon as the new president is elected to promote national development even further. He added that a good goal would be to earmark $0.25 out of each foreign aid dollar to finance national development. This would total approximately $112 million (about 6 billion colones).

Later, Monge described some of the country's most important achievements abroad. He mentioned his trip to Europe in 1984 and the fact that a local initiative to declare 1986 the International Year of Peace was welcomed at the United Nations.

He said: "We have not solved all of the problems, but we have considered them all. We have moved far enough from the brink of ruin, where we stood in May 1982."

DEBT RENEGOTIATED WITH PARIS CLUB MEMBERS

PA170219 San Jose Radio Reloj in Spanish 1200 GMT 15 Jan 86

[Text] Ennio Rodriguez, Costa Rican counselor for finances and the external debt, has announced the signing of debt renegotiation agreements with the friendly governments that are members of the Paris Club. He said the renegotiation includes all mature capital payments from 1 January 1984 to 31 March 1986. Rodriguez said the basic conditions for renegotiation were agreed upon and will be followed through bilateral agreements with the debtor [as heard] countries, including the United States, France, Germany, the UK, Japan, and Canada.

The bilateral debt renegotiation agreement with Germany was signed yesterday in San Jose by authorities of the two governments. That debt totals 186 million Deutsche marks or $35 million. On 30 January a similar agreement will be signed with the UK in London by representatives of that country's government and the Costa Rican Embassy in that country.

The debt with the UK totals 170,000 pounds, approximately $240,000. Agreements with the other debtor [as heard] countries will be signed at a later date.

EL SALVADOR

FDR-FMLN COMMUNIQUE ON ALLEGED U.S. INTERVENTION

PA160332 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 13 Jan 86

["Press Communique" released by the FDR Executive Committee and the FMLN General Command dated 9 January]

[Text] At 1600 local time on Tuesday 7 January a clash occurred between FMLN forces and Cusctlan Battalion at Cerro La Ventana, Jucuaran jurisdiction. The Government forces requested assistance and a U.S. warship fired three rounds against the area but did not cause any casualties. This serious violation of our sovereignty is just another step in escalation of the U.S. military intervention and constitutes a grave precedent of direct foreign intervention.

Our fronts have alerted the public. We appeal to all national and patriotic sectors to vigorously reject this attempt at a direct intervention by foreign forces. At the same time, we demand that the Legislative Assembly: 1) explain to the Salvadoran people whether it has authorized the presence of U.S. war vessels in Salvadoran waters; and 2) explain to the Salvadoran people whether it has authorized foreign military forces to fire against our territory.

We remind the deputies that the Constitution they swore to abide by and that allegedly rules over them establishes, according to Article 131, Paragraph 29, that the country will permit or refuse the passage of foreign troops through national territory and the stationing of foreign warships or aircraft in this territory for longer than set forth in international treaties or practice. In addition, we remind Napoleon Duarte and the deputies that not even dictator Hernandez Martinez resorted to accepting help from a U.S. warship that offered its services when the dictator massacred the people to crush the 1932 peasant insurrection.

[signed] FDR Excutive Committee, FMLN General Command

El Salvador, Central America, 9 January 1986

OCHOA SAYS MILITARY CONTROLS CHALATENANGO ROADS

PA161621 San Salvador Radio Cadena YSU in Spanish 1800 GMT 15 Jan 86

[Text] According to Colonel Sigifredo Ochoa Perez -- commander of the 4th Infantry Brigade, based in El Paraiso, Chalatenango Department -- the troops of that military detachment combed the areas of Miramundo, Los Planes, and San Fernando. Regarding this, Col Ochoa Perez said the following:

[Begin recording] [Ochoa Perez] We have destroyed a few small camps near (Plan del Horno del Trigal). These camps had people who had just arrived and had been moving into (Mesa Grande) from Honduras, but we have totally wiped out two small camps. Apparently the guerriallas who had entered from Honduras through that area sustained many casualties. That is what we have to report. We are also in control of streets and roads to prevent any attack on the transport services.

[Espinosa] Colonel, did other battalions participate in this action?

[Ochoa Perez] Only one of our battalions in the brigade here.

[Espinosa] How long was this operation, Colonel?

[Ochoa Perez] It began (?the day after) the march. I think it was on Wednesday, right?

[Espinosa] Right, on Wednesday.

[Ochoa Perez] It began on Wednesday last week and lasted until yesterday, when the battalion returned. They left through Dulce Nombre de Maria and have spent 1 week thoroughly combing that entire area.

[Espinosa] Did you seize any war materiel, Colonel?

[Ochoa Perez] Only a certain number of mines, which we must explode because we cannot bring them back. It was mostly explosive material, and only two rifles.

[Espinosa] M-16 rifles?

[Ochoa Perez] Yes. We also destroyed one of their vehicles. Some terrorist commander who looked like a foreigner was riding in it. The vehicle had been stolen and it was destroyed in combat. I think several died there because when we checked the vehicle it was splattered with blood. Today they will bring me some photographs of that. We later realized that the vehicle in question had been stolen from the Livestock Ministry, but a bazooka blast hit it during the fighting. Presumably there was a foreign commander riding in it. (?We already knew about that), so we destroyed it.

[Question indistinct]

[Ochoa Perez] It was a Toyota Land Cruiser. [end recording]

Finally, Col Ochoa Perez said the troops of Military Detachment No 1 are in control in La Laguna, [name indistinct] Road, La Reina, Agua Caliente, and other neighboring villages.

REBELS CLAIM 39 ARMY CASUALTIES IN 4 DAY

PA160412 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 15 Jan 86

[Text] Pay close attention. In 4 days of operations on Guazapa Hill our units have inflicted the following blows on the dictatorship's troops in the central zone: On 12 January at 0530 an ambush with mines took place at the entrance to San Salvador at km 10 on the Northern Trunk Highway. We do not have the exact number of wounded and dead in this ambush. In upcoming broadcasts we will provide more details.

Meanwhile, in these 4 days we have inflicted 18 casualties on the Belloso Battalion. We have also inflicted 7 casualties on the 1st Infantry Brigade. In 3 days a total of 10. [sentence as heard] In subsequent clashes we have inflicted 25 casualties in the areas of La Cruz, Santa Ines, and the northern part of the Ramirez hamlet located in the San Jose Guayabal area.

We have inflicted 25 casualties on the dictorship in that central part of El Salvador.

According to the latest reports received by Radio Venceremos, we have inflicted 39 casualties on the dictatorship's forces in various parts of the country. According to the war bulletins we have read that come from various parts of the country, we have inflicted 39 casualties on the dictatorship's forces.

RIGHT, LEFT WINGS SEEKING TO DESTABILIZE REGIME

PA160406 San Jose RUMBO CENTROAMERICANO in Spanish 27 Dec-2 Jan 86 pp 10, 11

[Article by Armando Contreras]

[Excerpts] "It's either us or a dictatorship." This statement by Salvadoran Culture and Communications Minister Julio Adolfo Rey Prendes might sound arrogant, distorted, or presumptuous to many people in that war-torn nation.

To us, however, the statement simply expresses a fact about that country: Either the Christian Democrats (DC) rule, or the conservative groups will eliminate all traces of the democratic experiment which, under the auspices of the United States, the DC has tried to strengthen since the 1982 constitutent elections.

Whatever interpretation is given to this statement, or whichever way you look at it, there are no doubts that the institutional stage this nation is undergoing at the moment is crucial for its future as a democracy. The economic situation, and the struggle against the guerrillas, particularly the FMLN, merely confirm this.

That is how Rey Prendes views it. Concerned about the waves of labor unrest -- with the repercussions from several workers strikes during the year -- Rey Prendes stated: "El Salvador could fall into a frightening right-wing dictatorship if the Christian Democrats are overthrown."

He said: "There is currently an offensive from the extreme right and left wings to destabilize this democratic government, and they seek any pretext to organize labor movements."

Rey Prendes added that the government cannot be demagogic or promise what it will not be able to fulfill regarding wage increases. Public employees should understand that with such actions they only play the game of the extreme right wing and, of course, the game of the left wing too, he said.

The official explained that the extreme right wing hopes to cause a crisis and then promote a coup d'etat with the argument that the Christian Democrats are inacapable of directing the government.

They want "to turn things back to the way they were" to denationalize the banking sector, eliminate all progress in agrarian reform, and denationalize the internal and external coffee trade in order to impose a policy in line with their own interests, he said.

Asked if he believes that all of these movements are ideological or whether they are labor-related and actually a reflection of the popular clamor against the high cost of living, Rey Prendes said no. "I do not believe that all of them are destabilization attempts; however, it cannot be denied that there has been FMLN infiltration in some unions," he said.

"I have not invented this," he pointed out. "This has been stated by arrested leaders who have confessed that the FMLN's strategy is to penetrate the masses."

GUATEMALA

C. AMERICAN PRESIDENTS TO MEET AGAIN IN EARLY 1986

PA152154 Panama City Domestic Service in Spanish 1820 GMT 15 Jan 86

[Direct report from Guatemala by News Director Demetrio Olaciregui -- live or recorded]

[Excerpt] Panamanian President Eric Delvalle ended his 2-day official visit to Guatemala at a working breakfast hosted by President Vinicio Cerezo. The breakfast was also attended by Salvadoran President Napoleon Duarte, Nicaraguan President Daniel Ortega. Uruguayan Vice President Enrique Tarigo, and Honduran President-elect Jose Azcona.

According to reports gathered by Radio Nacional, the following topics were discussed during the work breakfast: the convocation of a summit of Central American presidents, possibly at the end of February in the religious city of Esquipulas, a border city between Guatemala, Honduras, and El Salvador; the establishment of a Central American parliament; and a summit of Latin American heads of state in Panama.

At the end of the work breakfast at the presidential house, which was hosted by President Cerezo, the Salvadoran president said:

[Begin recording] We talked about recognition of the people of Guatemala, recognition of the Guatemalan Armed Forces for the effort they made. I offered the premise that fundamental changes can be brought about by violence or by will. Guatemala achieved democracy by willing it; the Guatemalan people and Armed Forces' willed it. Considering this state of affairs, we have gladly come here to share this feast with the Guatemalan people.

On another matter, we talked about the meeting of Central American presidents. We have already agreed to hold a meeting. All the presidents have agreed to meet in Esquipulas, but of course the date will be set after the elections in Costa Rica. Logically, we must wait for them. The topic will then be.... [changes thought] Here in Guatemala, the Guatemalan president will send to each of us a list of the topics to be discussed. Moreover, we have also talked about a Central American parliament and the possibility of starting negotiations on creating such a parliament.

To end, we also discussed the possibility of holding a summit meeting of presidents in Panama. All of us expressed our commitment to it. [end recording]

The work breakfast, attended by the presidents of El Salvador and Nicaragua and the representative from the recently elected Honduran government, provided the opportunity to start top-level actions to achieve Central American integration and agreement. Presidents Duarte and Ortega talked during this breakfast. This is the first time in 4 years that these two leaders have met. On this matter President Duarte said:

[Begin recording] [words indistinct], we discussed matters, which, I repeat, involve and promote a search for harmony [words indistinct]. Therefore, there was no individual proposal. [end recording]

Moreover, Honduran President-elect Jose Azcona was interviewed at the end of the working breakfast with President Cerezo and the other Central American presidents. He talked about the aid the United States is giving the counterrevolutionaries fighting the Nicaraguan regime. The Honduran president-elect said that matter is not within the purview of the new Honduran Government, but rather of the U.S. Congress.

[Begin recording] [Azcona] That matter is not within our purview. However, the signing of that communique does imply that the talks on the Contadora and Support Group initiative are going to be reactivated.

[Olaciregui] Suazo Cordova has challenged your government to withdraw the foreign military advisers and counterrevolutionaries. Will you be able to do that?

[Azcona] Well, it all depends... But, regarding the foreign military, a treaty was signed in 1954 for U.S. military assistance. This treaty is still in force and was ratified by the Honduran Congress, which is the sovereign representative of the Honduran people. At present, there are several protocols pending discussion at the Honduran Congress regarding this. If, genuinely representing the people, the National Congress approves these protocols, then the executive branch will abide by its decision. If Honduras signs the Contadora documents, we will strictly, respectfully, and faithfully abide by the contents of the document. Honduras is a republican country with a neutral policy. We strictly respect the independence of the state powers. [end recording]

In addition, Nicaraguan President Daniel Ortega said that during his visit to Guatemala a political victory was attained, not for Nicaragua, but for peace. Ortega invited the U.S. President to listen to the voices of Central America and Latin America and to cease his efforts to support the Nicaraguan counterrevolutionaries. Ortega also extended an open invitation to President Reagan to officially visit Nicaragua, speak with the Nicaraguan people, and get in touch with the people at large through the news media, but without any troops.

[Begin Ortega recording] I don't want to speak of a Nicaraguan political victory. I (?want to stress) a political victory for Latin America, Central America, and all our peoples. We want a political victory for peace. The United States and President Reagan should not feel concerned about this because it is peace that would triumph. The United States and President Reagan should not feel ashamed of changing their stance because such a change is natural for honest and worthy people. The United States now has the opportunity to change its wrong policy in Central America, particularly in Nicaragua, and to cease its policy of aggression and terrorism. Now it has the opportunity to stop requesting financial aid for mercenary forces. Only then would the United States be casting a vote for peace. [end recording]

President Ortega deemed as outstanding the new effort of the Contadora and Support Groups right after the Caraballeda statement and their message for peace and security in Central America. He also said that the Central American governments' signing of a note of adherence to the Caraballeda document strengthens the Contadora Group efforts. He said, however, that the U.S. Government should also support this effort.

[Begin recording] [Ortega] ...the U.S. support for this effort. We will go a step further and propose to the U.S. President that the United States and Nicaragua sign a commitment to the points included in the note and to their simultaneous implementation. It is fundamental that the United States assume a constructive stance because this is not really a problem among Central Americans.

The United States has created friction and concealed its actions behind the Central American people, trying to make this conflict appear as one among Central Americans. The truth is that this is a conflict between the U.S. poor policy and Central America, particularly Nicaragua. For this reason, the single most important factor here is the Unites States because it should accept this proposal and cease its policy of aggression against Nicaragua. [end recording]

HONDURAS

AZCONA DELEGATION LEAVES FOR 2-DAY U.S. VISIT

PA161630 Panama City ACAN in Spanish 1505 GMT 16 Jan 86

[Excerpt] Tegucigalpa, 16 Jan (ACAN-EFE) -- Honduran President-elect Jose Simone Azcona del Hoyo left this morning for Washington for a 2-day visit during which he will meet with various government officials and representatives of several international organizations and the U.S. private sector.

The new Honduran president's party includes Rosenthal Oliva (presidential designate), his private secretary William Hall Rivera, and the virtual presidency minister, Celeo Arias Moncada. U.S. Ambassador to Honduras John Arthur Ferch is also traveling with the Honduran president-elect. Yesterday, Ferch presented Azcona del Hoyo with the agenda for his trip to Washington.

AZCONA INTERVIEWED ON MEETING WITH ARMED FORCES

PA161709 Tegucigalpa Voz de Honduras in Spanish 1145 GMT 14 Jan 86

[Report on interview with President-elect Jose Azcona del Hoyo by Jose Dnilo Izaguirre after a meeting with the Armed Forces Superior Council on 13 January at Azcona's residence -- recorded]

[Text] [Azcona] The meeting was to bring me up to date on everything having to do with the Honduran Armed Forces, its organization, the current situation, and everything the president of the Republic should know about.

[Izaguirre] As you are preparing to become general commander of the Army, what were the most important aspects you were briefed on; what were you told about the specific duty of the military in this country?

[Azcona] As I said, it is our duty and right to learn about the operation of the Armed Forces; how well they are doing, their problems, and everything to do with them.

[Izaguirre] Engineer, specifically, what do you consider were the most important aspects of your meeting with the Armed Forces Superior Council?

[Azcona] As I already said, it was an informative meeting.

[Izaguirre] Did you discuss the issue of military maneuvers in Honduras during the interminable 9-hour meeting?

[Azcona] Well, in general terms, we discussed everything related to the Honduran Armed Forces.

[Izaguirre] Did you discuss differences with Nicaragua and border differences?

[Azcona] We discussed a little of everything.

[Izaguirre] We realize that the meeting focused on internal matters pertaining exclusively to the future president of the Republic and the military, especially on matters of security, sovereignty, and integrity. However, could you briefly sum up what was discussed in the meeting?

[Azcona] I was briefed on the situation with El Salvador and Nicaragua, the organization of the Armed Forces, the budget, and everything having to do with the operation of the Armed Forces. In general terms, that is what we discussed.

[Izaguirre] Was the issue of the contras discussed at today's meeting?

[Azcona] No, that issue was not discussed. In general terms, we discussed everything related to Nicaragua and all the other sectors.

[Izaguirre] What will your relationship with the Army be once you are president?

[Azcona] It will be a good relationship, much like our relationship with other sectors involved in the country's development.

[Izaguirre] Engineer Jose Simon Azcona is traveling today at 0800 to Guatemala to participate in the inauguration of Democrat Vinicio Cerezo, the winning candidate in the country of the eternal spring.

[Azcona] We leave for Guatemala in the morning. We will be there until 15 January -- that is, for 2 days -- and on Thurdsay we will head for Washington.

[Izaguirre] [Words indistinct] you did not go with advisers, but can you give details about this?

[Azcona] We did not discuss any issue in detail. The Armed Forces have the function of national security, the defense of our sovereignty, the defense of our national integrity, and all those things. It takes quite a long time to learn about those things. We did not discuss specifics

[Izaquirre] Asked whether the Armed Forces offered their support to his administration, Engineer Azcona said:

[Azcona] The Armed Forces said they respect the Constitution of the Republic and thus support the constitutional president of the Republic.

[Izaguirre] Was that relationship strengthened by the meeting between the Army and the president-elect?

[Azcona] Well, I do not know why that was said, because I never made statements or behaved in such a way as to imply that I am an enemy of the Armed Forces.

[Izaguirre] You talked at length with Army representatives. Is the professionalization of those people complete?

[Azcona] Well, I believe the Honduran Armed Forces have achieved great progress in regard to their professionalization and in relation to the constitutional government. In sum, I believe that our Armed Forces have made progress in all areas. The Armed Forces are made up of good Hondurans, great Hondurans who have ensured the consolidation of democracy in the country.

[Izaguirre] Engineer, one of our problems is crime. The [word indistinct] salaries for our security agents are very low. Did you discuss that?

[Azcona] No, we did not discuss specifics, as I said, but there will be a time later to discuss public security and other matters pertaining to our Armed Forces.

[Izaguirre] Will you raise salaries for FUDEP [Public Security Forces] agents?

[Azcona] (?I do not) think that they should increase in all aspects.

[Izaguirre] Engineer, who will accompany you to Washington?

[Azcona] Jaime Rosenthal Oliva, and Deputy (William Hall Rivera).

[Izaguirre] Who will accompany you to Guatemala?

[Azcona] Carlos Orbin Montoya, Dr Jorge Maradiaga, and Presidential Designate Alfredo Fortin Inestroza.

[Izaguirre] (?How come your advisers did not accompany you in the meeting with the Armed Forces?)

[Azcona] Well, because this meeting with the Armed Forces was exclusively with the president-elect.

[Izaguirre] It was rumored that members of the U.S. Army were present at that meeting. What can you say about that?

[Azcona] That was a meeting between top Honduran Armed Forces leaders and the president-elect of the country.

[Izaguirre] Did you discuss the issue of military agreements that the Congress could ratify and that others have already signed with the United States?

[Azcona] [Words indistinct] those things.

ARMED FORCES CHIEF DENOUNCES 'TERRORIST PLAN'

PA170307 Panama City ACAN in Spanish 0017 GMT 16 Jan 86

[By Armando Cerrato]

[Excerpts] Tegucigalpa, 15 Jan ACAN-EFE) -- General Walter Lopez, commander in chief of the Honduran Armed Forces, today denounced the existence of a criminal terrorist plan designed to wipe out democracy in the country. The military chief made this charge during a ceremony held to commemorate the 104th anniversary of the founding of the Public Security Force (police).

In his speech, the Armed Forces chief said that "crime and certain criminal terrorist plans are latent yet near the surface of apparent normalcy, and are waiting to surface with unusual violence precisely when the people have decided to once again tread the path of democracy."

According to Lopez, "this criminal activity has led, with dramatic overtones, to the killing of innocent citizens, the commissioning of holdups and robberies against government and private sector institutions, and the kidnapping of individuals for the purpose of collecting large ransoms."

"This situation makes it necessary for us to immediately adopt the most appropriate measures for defending the life and tranquility of the citizens. It is imperative to fulfill great duties on the basis of irreproachable conduct while relentlessly persecuting criminals and preventing crime," Lopez noted.

The military man called for correct enforcement of the law and all of its legal tools in the energetic implementation of severe sanctions, "and as the only means to eradicate the social scourge." He requested the cooperation of all citizens "in curbing these unspeakable actions, which go against the security of individuals while seeking to create turmoil in the republic through the collapse of its institutions and its laws."

Lopez explained that the military men "also have responsibilities, and we must not shirk them. Our work will be complemented by the denunciations made by the good citizens and our knowledge of the various antisocial groups and others who shield themselves under ideological issues. [no end quotation mark as received]

"My words should not be seized upon as an excuse by those who violate the law, abuse power shielded by their uniforms, or fail to act ethically and morally, because they too will be punished with the help of good citizens," Lopez continued. "I guarantee that the high command will never accept such failures because the mission of safeguarding the life and property of our citizens is based on the honor of the uniform and the military institution, which must always remain clean," he continued.

Finally, he stressed: "Neither faith nor trust in the police as guarantors of order and tranquility must be lost."

BORDER RESIDENTS REPORT SANDINIST ENCROACHMENT

PA161459 Tegucigalpa LA TRIBUNA in Spanish 15 Jan 86 p 6

[Text] Residents of the Arenales area, where serious border incidents have taken place, have reported that the Sandinist Army has taken up positions 2 km inside Honduran territory. The sources asserted that 9 days ago Sandinist soldiers took up combat positions in the area, which is one of the most remote spots in the so-called recovered zone.

More specifically, the Nicaraguan soldiers have entered the area of El Amparo, a small community 3 km from Arenales and 2 km from the Coco or Segovia River, which serves as the border between the two countries.

Arenales is 170 km from Danli, which explains why, although there are means of ground communication, the situation only became known several days later.

The El Amparo village consists of approximately 30 houses scattered in a mountainous area. Several families have had to abandon their homes in view of the presence of the Sandinist soldiers.

The people of Arenales reported last year that counterrevolutionaries had been detected there, and this was probably the cause of the border incidents. They did not say if there were any counterrevolutionaries in the area this time, however.

NICARAGUA

ORTEGA SCORES U.S. AT GUATEMALA NEWS CONFERENCE

PA170100 Managua Domestic Service in Spanish 2226 GMT 15 Jan 86

["Part 1" of news conference given by President Daniel Ortega Saavedra in Guatemala City on 15 January -- recorded]

[Excerpts] [Ortega] We leave satisfied with our stay in Guatemala and with the extremely important event that took place here -- namely, the assumption of power of President Vinicio Cerezo's administration. This is an achievement for the Guatemalan people. We believe that this has begun to bear fruit not only for Guatemala, but for all of Central America, and for the hopes harbored by Latin America for a peaceful solution to the region's conflicts.

On Sunday, we learned about a declaration issued by the Contadora Group and the Support Group in Caraballeda -- Caraballeda, Venezuela. This document proposes, as key elements, simultaneous actions which create conditions for advancing in the negotiating process leading to peace in Central America.

Therefore, Latin America again established a position favoring dialogue and peace. Yesterday, here in Guatemala, the Central American foreign ministers issued a document backing this document of principles issued in Carabe ... [unidentified individual corrects him] Caraballeda.

Today, following [words indistinct] supplied by President Vinicio Cerezo [words indistinct], Salvadoran President Napoleon Duarte, Panamanian President Delvalle, the Uruguayan vice president, Honduran President-elect Azcona, and myself of Nicaragua issued a declaration in which we expressed our willingness to meet again here in Guatemala, in Esquipulas, as proposed by President Cerezo.

Now, we must wait for the new Costa Rican president to be sworn in, in order to set a date for the meeting. We also expressed support for the proposal of the Guatemalan president to create a Central American parliament.

We are willing to continue taking the steps to discuss this and present it for discussion at the next meeting of Central American presidents.

I express our thanks to the Guatemalan people and Armed Forces, which contributed to the political opening here in Guatemala. This illustrates the desire for dialogue and peace that the Latin American peoples have for the Central American [words indistinct] people.

Then, in contrast, there is the U.S. Government, bent on a policy of aggression and force. It is bent on seeking a way to commit the U.S. Congress to participate in this policy of force.

Nicaragua invites the U.S. Government and the U.S. President to sign a document based on the document issued by the Contadora Group and the Support Group. It would be a document on which we, the United States and Nicaragua, promise to implement the points contained in that document presented by the Contadora Group and the Support Group.

We invite the U.S. President to hear the voice of Latin America and the voice of the Latin American peoples and leaders and thus put aside the policy of aggression against Nicaragua and stop asking for more resources [words indistinct]. We feel that that policy must end.

We feel that the U.S. Government can [words indistinct] its determination to [words indistinct], and then it would be listening to Latin America, it would be acting rationally, and it would be truly interested in peace. It must stop acting in the aggressive way it acts against our country.

In the meantime we are involved in this situation of confrontation, this escalation, this warmongering attitude from the U.S. Government against Nicaragua that forces my country to strengthen its defense mechanisms. In other words, Nicaragua is being forced to arm itself to face the military escalation.

We have already expressed Nicaragua's willingness concerning the withdrawal of all foreign military advisers from Central America. We advocate that. We also advocate a freeze on the acquisition of new weapons systems in Central America.

In fact, Nicaragua, unilaterally, [changes thought]. Last year, Nicaragua made two unilateral decisions. One of them was to decree a moratorium on the acquisition of new weapons systems that Nicaragua needs so much. The other was the beginning of a gradual withdrawal of foreign military advisers from Nicaragua.

In line with this position, which was announced during the inauguration of Uruguayan President Julio Maria Sanguinetti, we went ahead and withdrew 100 Cuban military advisers. What was the U.S. response to these steps taken by Nicaragua? It accelerated military actions, increased the aggression against Nicaragua, gave more financial support to the mercenary forces, promoted terrorism against Nicaragua, tried to isolate Nicaragua internationally, and promoted economic actions against Nicaragua.

Logically, this led Nicaragua to cancel these measures that had been taken unilaterally. Therefore, Nicaragua has already shown (?in other situations) that it still desires peace, but that it is also determined to continue to defend its sovereignty and self-determination, maintaining all the necessary defensive means to face the military escalation [words indistinct] the United States.

The National Constituent Assembly, the establishment of which of is the result of the people's direct vote, is now working on drafting the country's constitution, which will lay the groundwork for the type of social, political, and economic regime we want.

The FSLN has already advocated a pluralist regime with a mixed economy and a nonaligned foreign policy.

Regarding the internal dialogue, mentioned in the document of the Contadora Group and the Support Group, the document was referring to a dialogue within the constitutional framework of each country.

The internal dialogue has been promoted in Nicaragua since 1985 and we still promote it -- including all the political forces that participated in the elections and those that did not as long as they respect the institutional framework of Nicaragua. We are promoting a dialogue with them around a basic task, which is of a [word indistinct] interest to Nicaragua's future: the drafting of the new constitution.

Regarding the mercenary forces, which are mere salaried forces, we must talk with the one who pays the salary of these mercenary forces -- the one who delivers their weapons, bombs, and knives, and the one who delivers all their weapons of terror: the U.S. Government, and those who discuss the policy to be followed against Nicaragua: the U.S. Government. It is the U.S. Congress that decides whether to give $7 million or $40 million and in what conditions it is going to deliver the funds to these criminals. It is the U.S. President who is determined to defend the terrorist and [words indistinct] policy disregarding international law, the International Court of Justice, and the calls issued by the United Nations.

So, who must we talk with? We must talk with whoever is truly leading the aggression -- that is, the U.S. Government. For this reason we think it is elementary -- to start any negotiation -- that the United States sit down with Nicaragua. It must sit down to discuss with Nicaragua all the (?existing) bilateral problems in order to create a framework of mutual security that allows us to normalize our relations, that results in an end to the U.S. aggression against Nicaragua, and that results in U.S. respect for international law.

[Question indistinct]

[Ortega] We heard yesterday that the sanctuary of violence in Central America is the social, economic, and political imbalances in the region. The lack of freedom and justice — this is the sanctuary. [passage indistinct]

[Ramirez] Victor Ramirez of Guatemala's Radio Mundial. Commander, [words indistinct] on page 2 of EL GRAFICO regarding a group of athletes who came to participate in the Central American games that ended recently and who requested asylum in various embassies in this capital. Can you comment on this?

[Ortega] Before we arrived in Guatemala we learned of those reports carried by various media in Guatemala. I see no reason why an athlete who is in Guatemala would seek shelter in an embassy. That would imply he is being persecuted here in Guatemala. That does not make sense. It is also illogical that he would request asylum in Guatemala because if an athlete wishes to move to another Central American country or even the United States -- and stay there -- he can do so. Communications are not closed there. Thousands of Nicaraguans leave every day; they travel all over the place and even go to the United States. They come and go; those who want to stay do so and those who do not want to need not do so. No one is there by force.

[Question] With regard to the idea of creating a Central Americal parliament, is Nicaragua willing to hold elections to choose its representatives to that parliament? Would Arturo Cruz or another member of the Nicaraguan opposition participate in that election?

[Ortega] What Arturo Cruz must do is find a way to participate in the elections in the United States [words indistinct] he may be elected a state representative. He has lived in the United States all of his life. He could even be a state governor one day. He is American. He thinks and acts like an American. Regarding the shape the parliament will take, I believe it is too soon to say. This must be subject to discussions and negotiations that Central Americans must undertake. [words indistinct]

[Question] What is your view of the fact that the Costa Rican president did not attend the meeting today? Do you have [words indistinct] Costa Rica? Will you attend the inauguration of President-elect Azcona?

[Ortega] It was our understanding that President Monge was going to come to Guatemala. [words indistinct] problems emerged in Costa Rica. We understand from the news media [words indistinct] that he could not come. Elections are imminent in Costa Rica and that is why we decided here that the meeting must take place after the new president of Costa Rica assumes power. [words indistinct] President Monge to assume commitments on behalf of the new president of Costa Rica.

Regarding President Azcona's inauguration, President Azcona and President Suazo Cordova invited us and Nicaragua will attend that event.

[Question] Regarding the Manzanillo talks, [words indistinct]?

[Ortega] The Caraballeda document emphasizes the importance of this meeting, of the need for a dialogue between the United States and Nicaragua to discuss bilateral problems and to know what issues are of concern to the United States and Nicaragua. Then, we can resolve the problems. Problems are resolved by talking about them, discussing them. We believe this is fundamental in order to advance and strengthen the negotiations proposed by Contadora.

[Question] [words indistinct] Nicaragua that before signing the Contadora peace document it will be necessary for the U.S. Government to sign a protoçol ending its policy of aggression against Nicaragua?

[Ortega] No peace document will be effective if the problem of aggression is not resolved. I'll give you an example. How can the military buildup problem be discussed in the context of the peace document while an aggression is taking place? When there is an aggression, he who is being attacked is forced to defend himself. That implies arms. This creates a situation of military confrontation that leaves no room for a solution. Therefore, basic conditions must exist to create a climate favorable for negotiations. The Caraballeda document contains a number of simultaneous actions that -- to the extent to which they are implemented -- will create the best conditions for a negotiation process leading to the conclusion of the discussions and the attainment of peace in Central America.

[Question indistinct]

[Ortega] Nicaragua favors negotiation, but realistic negotiation with concrete bases for the creation of basic conditions to advance toward a resolution of the conflict.

[Question] Caraballeda is a concrete step.

[Ortega] It proposes specific, simultaneous actions and abiding by principles that are important. It also proposes nine simultaneous actions necessary to create the conditions to revitalize the negotiations, end the negotiations, and attain peace.

[Question] [words indistinct] you invite President Reagan for? To come to the Esquipulas meeting, or to go to Nicaragua?

[Ortega] We invited President Reagan to visit Nicaragua.

When we went to New York for the 40th anniversary of the United Nations we said on American television that we invited President Reagan to visit Nicaragua and meet with the Nicaraguan people and press on Nicaraguan television in a broadcast that would last as long as he liked.

[Question indistinct]

[Ortega] We said we would not place visa problems in President Reagan's way. [laughter] He has an automatic entry permit into Nicaragua. However, he must come without troops. [laughter]

2 HELICOPTERS ALLEGEDLY ATTACKED FROM COSTA RICA

PA170208 Managua Domestic Serive in Spanish 0129 GMT 17 Jan 86

[Report by Angelita Zavallos, director of information and press at the Foreign Ministry -- live]

[Text] The Foreign Ministry is drafting a protest note to the Cost Rican Government, with copies to the Contadora and Support Groups, on the following:

Today at noon two MI-8 helicopters were attacked with small arms fire from the Costa Rican side while they were on a patrol mission in the Rio San Juan area, Sarapiqui sector, in Boca de San Carlos. The sector is known as La Tigra de Sarapiqui. The two helicopters were damaged, but managed to land without problems. However, as a result of the attack, the copilot of one of the helicopters and the pilot were seriously injured. They have both been transferred to Managua, and they are alive.

We wanted to inform you of this incident in advance of the note that is being drafted, which will be published later.

SPANISH FOREIGN MINISTER ARRIVES FOR VISIT

Meets With Ortega

PA161521 Managua Domestic Service in Spanish 0300 GMT 16 Jan 86

[Text] President Daniel Ortega held talks with Spanish Foreign Minister Francisco Fernandez-Ordonez tonight, 15 January. The meeting was held at the Nicaraguan Foreign Ministry. In attendance was our foreign minister, Miguel D'Escoto. A Foreign Ministry spokesman said Ortega and Fernandez-Ordonez discussed the current Central American situation and the outlook for peace for 1 hour. A few hours earlier the visitor disclosed a document from his government giving official support to the Caraballeda document issued by the Contadora Group and the Support Group.

Social Aid Agreement Signed

PA160315 Managua Radio Sandino in Spanish 0000 GMT 16 Jan 86

[Text] Spain and Nicaragua signed a document today to extend assistance in social aid programs in the areas of agriculture, cooperative housing, and health.

The aid agreement is for 110 million pesetas and was signed by Jose Angel Buitrago, Nicaraguan deputy minister of foreign cooperation, and (?Luis Cuero) of Spain.

Present at the signing of the document were Foreign Minister Miguel D'Escoto Brockman and Francisco Fernandez-Ordonez, who said that his government supports the agreement by Contadora and its Support Group. At the same time he emphasized the solidarity of the Spanish Government and people with Nicaragua.

Meets With Opposition Leaders

LD162335 Madrid Domestic Service in Spanish 2300 GMT 16 Jan 86

[Report by Javier Gonzalez and Juan Luis Prat; recorded remarks by Spanish Foreign Minister Fernandez-Ordonez in quotation marks]

[Text] In a few minutes, in Managua, President of Nicaragua Daniel Ortega will receive Spanish Foreign Minister Francisco Fernandez-Ordonez on the penultimate part of his tour of Central America. Prior to this he had other meetings. A report on this from Javier Gonzalez:

In Managua Spanish Foreign Minister Francisco Fernandez-Ordonez had a meeting with representatives of the Nicaraguan internal opposition. Specifically, he had talks with a delegation from the Nicaraguan Democratic Coordination [CDN], which is formed by the Social Democratic, Constitutional Liberal, and Social Christian parties, as well as two trade unions and the Higher Council of Private Enterprise. The delegation conveyed to Fernandez-Ordonez a document in which it sets out its position regarding mediation by Spain in Nicaragua. Luis Rivas Leiva, secretary general of the Social Democratic Party which forms part of the CDN, said Spain is not the ideal instrument to promote a dialogue because, in his opinion, Spain supports the Sandinists. However, Fernandez-Ordonez stressed to reporters that it is a question of good offices and not one of mediation:

"I repeated to them that, in accordance with the Guatemala Declaration signed yesterday in support of the Caracas Declaration, Spain's position is to support internal reconciliation and internal dialogue."

More details on this from Juan Luis Diaz Prat in Managua:

Fernandez-Ordonez meeting with the opposition was of an exclusively informative nature, as was confirmed by Enrique Bolanos, president of the opposition Higher Council of Private Enterprise.

The leaders of the opposition to the Sandinist regime told the Spanish foreign minister they want the solution to Nicaragua's internal crisis to be the exclusive work of Nicaraguans.

The Spanish and Nicaraguan delegations had a luncheon, which gave way to a lengthy working session at the Foreign Ministry in Managua. Fernandez-Ordonez will conclude his visit to Managua with a meeting with Commander Daniel Ortega, the president, before returning to Madrid with a stopover en route in Puerto Rico.

FLAVIO BRAVO MEETS WITH PERU'S ALVA CASTRO

FL161224 Havana Radio Progreso Network in Spanish 1200 GMT 16 Jan 86

[Text] Flavio Bravo, National Assembly of the People's Government [ANPP] president, has met in Lima with Luis Alva Castro, Peruvian prime minister and vice president. During the meeting Bravo gave Alva Castro a personal greeting from Cuban President Fidel Castro, which was reciprocated by the Peruvian political leader.

Attends L.A Parliament

PA161758 Havana International Service in Spanish 1600 GMT 16 Jan 86

[Text] Peruvian President Alan Garcia will open today in Lima an expanded meeting of the Latin American Parliament's Directive Committee, which 40 legislators from 19 hemispheric countries will attend. It has been learned that during 3 days of meetings they will discuss the institutionalization of that important organization as well as the grave foreign debt problem, while respecting the plurality of the various political regimes.

Flavio Bravo, president of the Cuban parliament who is in Lima to participate in the Latin American Parliament's special meeting, will also meet with President Garcia at the Government Palace.

DEL VALLE ASSESSES CUBAN EFFORTS IN GUYANA

FL161840 Havana Radio Periodico del Aire 1700 GMT 16 Jan 86

[Text] Georgetown -- Sergio del Valle, member of the Politburo of the Communist Party of Cuba, has arrived in this capital to evaluate the efforts of Cubans doing cooperative work in Guyana. Richard Van West-Charles, minister of health and public welfare and member of the National Executive of the People's National Congress party, met the Cuban leader at the airport.

1986-87 CULTURAL AGREEMENT SIGNED WITH ITALY

FL162327 Havana Radio Periodico del Aire in Spanish 2230 GMT 16 Jan 86

[Text] A cultural agreement for 1986-1987 between the Republic of Cuba and the Italian Republic was signed in this capital today. The document was signed for Cuba, by Foreign Ministry Cultural Relations Director (Alexandro Romano). The agreement includes areas of science, culture, education, and sports.

NICARAGUAN NATIONAL ASSEMBLY OFFICIAL ARRIVES

FL170042 Havana Radio Rebelde Network in Spanish 0000 GMT 17 Jan 86

[Text] Reporter Diosdado Maso tells us about the arrival in Cuba of the vice president of the National Assembly of Nicaragua, Clemente Guido.

[Begin recording] [Maso] This afternoon Mr Clemente Guido, vice president of the National Assembly of the Republic of Nicaragua arrived in Cuba. A few moments after his arrival we spoke briefly with him at the Jose Marti International Airport's protocol room. What are the areas you are interested in during your visit?

[Guido] Actually, I am interested in learning in depth about how Cuban health services are organized, especially the Institute of Oncology and Radiobiology.

[Maso] The Nicaraguan parlament member also gave his opinion about the Caraballeda accord.

[Guido] I see two encouraging ideas: first, the meeting of Central American presidents, which will probably take place in Esquipula -- according to the proposal of President Vinicio Cerezo and accepted by all the other presidents, except the Costa Rican president -- this year, where the problems will be discussed at the high level; and second, the creation of the Central American parliament, which was also proposed by President Cerezo. I believe it has many possibilities, because it has been proven that parliament members understand each other better than presidents, is it not so? [end recording]

BRAVO GREETS CAMBODIAN PARTY CHAIRMAN CHEA SIM

BK170747 Phnom Penh Domestic Service in Cambodian 0430 GMT 17 Jan 86

[Text] Comrade Flavio Bravo Pardo, chairman of the National Assembly of the People's Government of the Republic of Cuba, recently sent a message of greetings to Comrade Chea Sim, chairman of the National Assembly of the PRK, on the seventh 7 January national day of the PRK. The message reads:

On this propitious occasion, I would like to express once again to the KPRP [Kampuchean People's Revolutionary Party], the National Assembly, government, and people of fraternal Cambodia my admiration for the monumental undertaking that you are accomplishing for the rebirth of a new Cambodia. I am firmly convinced of the success of your endeavors for Cambodia's economic and social development, the fruition of the great efforts and aspirations of your people, and the enlightened policy of your party and government.

I wish you the best of health, happiness, and new successes in your important responsibility.

HAVANA TO HOST AUTOMATED IMFORMATION MEETING

FL160216 Havana Television Service in Spanish 0100 GMT 16 Jan 86

[Text] The third meeting of the coordinating councils of national centers for automated information will be held in Havana from 21 to 25 January, with the participation of the Soviet Union, Bulgaria, Mongolia, CSSR, Hungary, Poland and Cuba. A greater information exchange through automated services will be discussed at the meeting. Presently Cuba has access to data bases via satellite with the Soviet Union and Bulgaria, and automated information services will be extended to CSSR, France, and Sweden.

The institute of Scientific and Technical Documentation and Information of the Academy of Sciences is working to incorporate all provinces and organizations in this system and to create data bases for the sugar industry.

'OUR AMERICA' SEES BAKER PLAN AS FAILURE

PA160130 Havana International Service in Spanish 0000 GMT 13 Jan 86

["Our America" commentary]

[Text] In the long run, everything illogical and responding to selfish interests is dismissed. Such seems to be the fate of the Baker Plan, which Washington tried to present at the end of 1985 as a magic formula to save Latin America from its foreign debt of $370 billion. The plan was announced during the IMF and World Bank conference in Seoul last year. The hope that it elicited initially began to dwindle as fast as a ship sinking helplessly into the depths of the sea.

The Cartagena Consensus and the Andean Parliament rejected the U.S. formula because it does not work. Not only that, they decidedly advocated joint Latin American action in view of its massive foreign debt, which they believe is clearly political in nature. The Baker Plan, which ignores key problems such as high bank interest rates and unequal trade, also earmarks the ridiculous amount of $20 billion for Latin America -- to be delivered in 3 years -- and credits such alms with an almost magical power. The amount is barely half what the continent's countries pay their creditors in yearly interest. More than 2 decades ago the Alliance for Progress sponsored by President John F. Kennedy conjured up a similar sum of aid for the region over a 10-year stretch. Since then the Latin American population has grown fourfold, and the foreign debt grew from $10.1 billion in 1963 to $370 billion in 1985.

The Baker Plan's insufficiency and inoperativeness are self-evident. Nevertheless, this ridiculous proposal has something positive to it: It has shown that the area countries cannot rely on the U.S. Government to overcome their crisis. SELA has clearly presented the need for the continent to break away from Washington. A dispatch datelined Mexico, 7 January, reports on the opinion of SELA adviser Sergio Vitar, who urged Latin America to foster its development independently in view of the uncertainty of the U.S. economy and its clearly selfish policy. Vitar added that Washington's treatment of Latin America's foreign debt problem -- vital to our peoples -- has been limited and does not correspond to the importance of the problem. Vitar correctly pointed out that all U.S. plans to deal with the problem of indebtedness have failed, because the United States has considered only the possibility of extending the amortization terms so far, without lowering the interest rates substantially.

This generalized awareness in Latin America is a sign of the new times generated by an untenable crisis. Washington -- which wants to turn its back on a problem for which it is largely and directly responsible -- can either listen to reason or face an aggravation of tensions in the area which could lead to a social explosion whose proportions cannot be fathomed.

BAHAMAS

PRIME MINISTER PINDLING SPEAKS AT PARTY BANQUET

FL162130 Nassau THE TRIBUNE in English 11 Jan 86 p 1

[By Anthony Forbes]

[Text] Prime Minister Sir Lynden Pindling said last night the time has come for the ruling Progressive Liberal Party government to transform the Bahamian people's significant political freedoms into major economic advances.

Sir Lynden, also minister of finance, said it is time to hammer economic independence into a Bahamian way of life and into the country's national system as the "protective break-waters" around the "safe harbours" of the Bahamas' political sovereignty.

The prime minister's call came as he addressed a banquet at the Polaris Hall of the Holiday Inn Hotel, Paradise Island, commemorating the 19th anniversary of the PLP's rise to power on January 10, 1967.

Over 1,000 persons attended the banquet, at which dissidents, former deputy prime minister Arthur Hanna, and ex-ministers Perry Christie and Hubert Ingraham, referred to as a "small, tiny, infinitesimal" group by PLP Chairman Sean McWeney, were absent. There were many empty seats in the dining hall.

Beginning where he left off in his new year's day message, the prime minister told his audience: "Now the time has come for the Progressive Liberal Party government to transform the significant political freedoms of our people into major economic advances.

"The time has come to hammer economic independence into our Bahamian way of life and into our national system as the protective break-waters, around the safe harbours of our political sovereignty," the prime minister said.

Asking what is economic independence, the prime minister said it implies giant moves in the economy of the country and foreshadows significant alterations in the number of Bahamians in the front line of the economy, and in the size of economic returns.

"It dramatically magnifies the geographic distribution of economic activities among our people expands the entire scale of our perception of business and economics," the prime minister said.

"Economic independence means increasing the size of the economy, not only by adding businesses but by adding whole industries," he said. "Economic independence means creating jobs, not by the hundreds but by the thousands. It means increasing tourism not by building another hotel but by doubling visitor arrivals."

"It means increasing agricultural output, not by fighting each other for our share of home market but by cooperating with each other to corner our share of the world market." Sir Lynden said.

"It means not just adding a few more banks, but by exploiting our on-shore and our off-shore banking infrastructure to win and secure a larger segment of the international financial market," he added.

The prime minister said that economic independence will require a jump in the level of national savings and an explosion in local capital formation, both of which require a major improvement to the level of competence and performance.

"I say economic independence is difficult to achieve, like political independence was difficult to achieve but it is not impossible, and once achieved, will represent a diamond in the crown of our political sovereignty," he said. Explaining capital formation, the prime minister said that it is the large scale accumulation of money saved.

"Savings are accumulated when you put aside some of whatever you earn. The more you earn, the more you can save, the more you save, the more capital you can form, the more economically independent you can be," he said.

"And the more of you that are individually economically independent, the sooner our nation will achieve economic independence," he said.

He said the structure of all western democracies is the responsibility of the government to safeguard the political and economic independence and to provide the political and material well being of the people they serve.

"At the same time, it is the church's responsibility to provide for the moral and spiritual well-being of those same people and the structure of this developing western democracy we call the Bahamas, it is the responsibility of a caring and progressive government to inspire its citizens to greatness and to chart a course for national economic independence," he said.

He said that against the Bahamian background of slavery and colonialism, racial discrimination and economic deprivation, this means that things must be spelt out for the once-suppressed black majority, that are unnecessary to be spelt out for the white minority that once had all of the privileges.

"Once it is spelt out and accepted, the process of equalization of opportunities will have been completed," the prime minister declared.

FNM HOLDS CONVENTION TO ELECT OFFICERS

FL161704 Nassau Domestic Service in English 1300 GMT 16 Jan 86

[Excerpts] Day 2 of the Free National Movement's [FNM] convention at Paradise Island was last night. Member of parliament from Montague Mr Orville Turnquist was one of the featured speakers.

Senator the Honorable Henry Bostwick in a hard-hitting address criticized PLP [Progressive Liberal Party] backbenchers. He also told the convention that the new direction of the FNM will be for all Bahamians, the aims social and economic commitment. Mr Kendall G L Isaacs has been returned unopposed as leader of the Free National Movement. During nomination of officers last night, Mr Isaacs was returned unopposed as leader. There will be a three-way race for the chairmanship: Senator Charles Virgil, Mr George Wilson, and Dr Mary Ritchie were nominated for the post. Outgoing chairman Mr Cecil Wallace-Whitfield is not seeking reelection to that position. The election of officers is scheduled for Friday.

FORMER MINISTER DENIES LEAKING CABINET SECRETS

FL161724 Nassau Domestic Service in English 1300 GMT 16 Jan 86

[Text] Yet more reaction to Prime Minister Pindling's Monday interview.

(Sanibel) MP [member of parliament] and former minister of tourism Perry Christie says he did not leak any cabinet secrets. He said he knew nothing of the sale of the Paradise Island Bridge. Mr Christie says he never used his position and a knowledge of the former cabinet member to place the government at a disadvantage as case in point.

BARBADOS

ST JOHN HOLDS TALKS WITH ITALY'S ANDREOTTI

FL160028 Bridgetown CANA in English 2139 GMT 15 Jan 86

[Text] Bridgetown, Barbados, Jan 15, CANA -- Barbados Prime Minister Bernard St John held talks today with Italian Foreign Minister Giullo Andreotti, according to a government information service (GIS) release. GIS said the discussions touched on co-operation in civil aviation, the expansion of the European Community and the Lome Convention.

Andreotti was en route to Italy from Guatemala where he attended the swearing in ceremony of the new civilian president.

GIS said the breakfast meeting was attended by Minister of Foreign Affairs and International Trade Senator Nigel Barrow and senior government officials.

Andreotti later left for home.

IDC OPTIMISTIC ABOUT MANUFACTURING INDUSTRY

FL160158 Bridgetown BARBADOS ADVOCATE in English 10 Jan 86 p 1

[By Joy Springer]

[Text] Sixteen companies closed and 635 jobs were lost in the manufacturing sector last year. Meantime, eight new companies opened providing employment for 120 people and with a proposed initial investment to just over $9.5 million.

Mr Fred Gollop, chairman of the Industrial Development Corporation (IDC), was optimistic about the future of industry yesterday which he said was steadily expanding.

He said the IDC planned major thrusts this year to further boost the sector. He said that one of the major constraints related to the availability and cost of raw materials and the IDC was looking towards Brazil for a solution to this problem. Two senior officers are going into Brazil next week to do preliminary work in this area.

The biggest problem in 1985, he said, was the downturn in the electronic industry, which was a massive employer. Corcom alone employed 700 people at one stage, he said.

He said there were signs that the electronic industry was turning around and when it did it would have an immediate impact on Barbados.

"We have not lost faith in this industry. Barbados' political stability is still a plus and there is a side of the computer industry which is growing rapidly which relates to satellite equipment and components for military application."

He said that the IDC would also be spearheading the promotion of off-shore financial services this year. In 1985, 200 United States foreign sales operations registered in Barbados and there was also a substantial increase in the number of international business companies, he said. Mr Gollop said that in the last two years, there has been much new interest in Barbados among potential investors. Last year, the IDC met with 200 potential clients including representatives of 86 companies from the United States, Europe, China, Korea and within the region.

Two new joint ventures were finalised -- one in the area of electronics with potential for making a substantial contribution to employment and the other in the garment industry.

Meanwhile, Mr Gollop said that he was well satisfied that the IDC had to keep its Brussels office open even though no new joint ventures had been established out of Europe last year.

He said there had been difficulties in Europe because of the recession and particularly the strength of the U.S. dollar but there were signs that things were looking up and one company out of Europe was about to be set up here.

In respect of Puerto Rico, Mr Gollop said that U.S. $7 million in investment funds were being made available under the 936 code for joint venture projects between Puerto Rico and Caribbean Basin Initiative designated countries.

Barbados was actively working with a number of contacts in this area, he said, particularly in respect of the health care and pharmaceutical type of industries and was hopeful of positive results.

GRENADA

IMF REPORTS NATION REDUCED FOREIGN DEBT IN 1985

FL170049 Bridgetown CANA in English 2126 GMT 16 Jan 86

[Text] St Georges, Grenada, Jan 16, CANA -- Grenada was able to cut its external debt ratio to 44.4 per cent in 1985 from 52.1 per cent the previous year, according to an International Monetary Fund (IMF) report. The report said the reduction was due to amortization repayments and a substantial reduction in public sector borrowing abroad.

Grenada's national debt is officially put at around EC168 million dollars (one EC dollar; 37 cents U.S.), with outstanding arrears due to a number of international organisations and governments both in Western and Eastern Europe.

Grenada's external debt, including debts to the IMF, had increased from 35.1 per cent of Gross Domestic Product (GDP) at the end of 1981 to 58 per cent at the end of 1983, reflecting disbursements of both concessional loans and commercial credits for the international airport and other projects. The report said there had been delays in payments of debts during 1985. The delays in debt servicing rose from one per cent of GDP at the end of 1983 to an estimated 3.6 per cent of GDP at the end of 1985, the IMF said.

The report also said that the island's scheduled debt service in relation to exports of goods and services had grown from 3.7 per cent in 1981 to 16.5 per cent in 1985, reflecting the need to service debts contracted during the 1979-83 period and the rise in service payments to the fund. The report cited an 18 per cent improvement in Grenada's terms of trade in 1984 followed by an estimated 13.4 per cent last year due to a recovery in export prices of the major export crops -- cocoa, bananas and nutmegs.

SOVIET DELEGATION EXPECTED FOR COOPERATION TALKS

FL152256 Bridgetown CANA in English 2240 GMT 15 Jan 86

[Text] Georgetown, Guyana, Jan 15, CANA -- A Soviet trade and economic delegation was due here tonight for trade and economic co-operation talks.

Among the discussions are the expected signing of a long-term bauxite delivery contract, and possible Soviet investment in local bauxite and gold mining, according to local sources.

Guyanese diplomats in Moscow said last month that Guyana would ship bauxite to the Soviet Union over seven years. Moscow is in return supplying Georgetown with machinery, a commercial aircraft and other items.

The Soviet team, which will be here for one week, will also discuss co-operation in health, forestry, livestock energy and rice.

In the case of health expected to be addressed include the supplying of equipment for use in the anti-malaria programme, post-graduate training for Guyanese in the Soviet Union and the supply of Soviet tutors at the recently established medical school at the University of Guyana.

The Soviet delegation will be led by Zinoviev Nikolai Vasilyevich, head of the department, Ministry of Foreign Trade. The talks begin on Friday.

PCD TO REPORT ON 'ELECTORAL MALPRACTICES'

FL170059 Bridgetown CANA in English 2208 GMT 17 Jan 86

[Text] Georgetown, Guyana, Jan 16, CANA -- Guyana's recently-formed five party Patriotic Coalition for Democracy (PCD) says it will shortly begin a programme of visit to Caribbean Community (Caricom) countries to discuss with representatives of governments, political, church and labour organisations the alleged denial of electorial democracy in the Co-operative Republic.

Following the controversial December 9 general election, five of the country's six opposition parties formed a coalition to struggle for the defence of civil and political rights and to ensure a peaceful democratic process, typical of the Caribbean.

The parties are the well-known leftwing People's Progressive Party (PPP) and the Working People's Alliance (WPA), as well as the rightwing and centrist parties, the Democratic Labour Movement (DLM), People's Democratic Movement (PDM) and the National Democratic Front (NDF).

The planned Caricom tour is expected to start in Trinidad and Tobago next week. The team will pay a two-day visit to Barbados before going on to members of the Organisation of Eastern Caribbean States (OECS).

A spokesman for the delegation representing the coalition said it intended to provide information about electoral malpractices at the December 9 poll, at which the incumbent people's national congress (PNC) won 42 of the 53 parliamentary seats, and also to seek the co-operation of regional governments and organisations in the battle for parliamentary democracy in Guyana.

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REGIONAL PRESIDENTS TO MEET IN COSTA RICA

PA171949 San Jose Impacto in Spanish 1830 GMT 17 Jan 86

[Text] A meeting of the Central American presidents in Costa Rica will be held after the elections. The meeting was proposed by Costa Rican President Luis Alberto Monge in December. He suggested that the meeting be held in Costa Rica during the month of January. However, since the new Honduran president will not be sworn in until late January, the meeting has been postponed. The main topic to be discussed at this Central American summit is the formation of a common front to renegotiate the foreign debt and also to analyze the efforts being made by the Contadora Group.

LATIN AMERICAN PARLIAMENT CLOSES SESSION

PY192259 Paris AFP in Spanish 2232 GMT 18 Jan 86

[Text] Lima, 18 Jan (AFP) -- The Latin American Parliament today requested the continent's mobilization against foreign intervention in Central America, rejected any type of intervention, and called an extraordinary session for the defense of peace and democracy in Central America.

It also reaffirmed the urgency and the convenience of a meeting of the democratic presidents of Latin America to adopt a common attitude regarding the unjust international economic system, of which the foreign debt is the most harrowing expression.

These points were adopted at the conclusion here today of an expanded session of the parliament's executive board, where 19 of the hemisphere's countries' congresses were represented.

Argentine Senator Luis Agustin Leon, the parliament's president, said that the organization supports seeking a just, peaceful, and negotiated solution to the Central American problems, in accordance with the principles that guide the actions of the Contadora Group and the Lima Support Group.

It also expresses that it has followed with profound interest all the efforts that the democratic governments of Latin America are making to resolve the foreign debt situation in a coordinated way so as not to affect the most legitimate right to development and the welfare of our peoples.

The extraordinary session for the defense of peace and democracy in Central America will take place on 3 and 4 April 1986 in the Guatemala City. In case of intervention in Central America, the parliament has also authorized its president to urge governments and congresses to desist from such positions. [sentence as received]

The parliament's executive board approved the progress of democratization in Latin America, greeted the beginning of the process of overall democratization in Guatemala, and noted the assurance given by the Nicaraguan delegation regarding democracy in that country. It also renewed its repudiation of the authoritarian regimes that still exist in Chile, Suriname, and Haiti; expressing its solidarity with the popular struggles for freedom that are taking place in those countries.

The parliament also condemned terrorism and violence in all its forms and ratified the need to accelerate the institutionalization of the Latin American Parliament in all its party and ideological trends.

In conclusion, it honored Victor Raul Haya de la Torre, the illustrious Peruvian who was the father of Latin American integration.

IDB ANNOUNCES AGRICULTURE GRANTS TO REGION

FL201900 Bridgetown CANA in English 2127 GMT 19 Jan 86

[Text] Bridgetown, Jan 19, CANA -- The Inter-American Development Bank (IDB) has announced approval of U.S.9.7 million dollars in grant techinical cooperation to support the basic programme of the three international agricultural research centres in Latin America and the Caribbean during 1986.

In addition, the cooperation will partially finance a seminar to improve the strategies and the coordination of agricultural research between the centres and the national programmes of the countries of Latin America and the Caribbean.

The three centres are the International Centre for the Improvement of Maize and Wheat (Cimmyt) in Mexico, the International Centre for Tropical Agriculture (CIAT) in Colombia and the International Potato Centre (CIP) in Peru.

Along with 10 other institutions in other parts of the world, the international centres conduct agricultural research designed to solve the problems of food, malnutrition and insufficient farm output by increasing the production of basic cereal grains, legumes, tubers, livestock products and other foods.

The total amount of the core budget of the three international centres for 1986 is estimated at U.S. 58.3 million dollars, of which the bank's technical cooperation will cover approximately 17 per cent.

GORBACHEV THANKS ALFONSIN FOR ARMS RACES CONCERNS

PY171531 Buenos Aires TELAM in Spanish 0106 GMT 17 Jan 86

[Text] Buenos Aires, 16 Jan (TELAM) -- CPSU Central Committee Secretary General Mikhail Gorbachev sent a message to President Raul Alfonsin stating that the Soviet Union greatly appreciates his efforts in helping attain acceptable solutions between states as well as concrete agreements to reduce the threat of a nuclear war, the arms race, especially the nuclear race, and to strengthen the prospects of peace for all countries under conditions of security and trust. The message was delivered by Soviet Ambassador Igor Kolosovsky during an audience granted by President Alfonsin this afternoon. In his message, Gorbachev recalls the message sent by Alfonsin and five other presidents to the Geneva summit. The message was addressed to him and to the U.S. President and deals with the subject of [words indistinct] nuclear tests. The Soviet Union has paid great attention to the suggestions made by Alfonsin regarding the cessation of nuclear tests on the planet. The message also gives a report on the new initiatives in the areas of weapons reduction and disarmament, and on the recent proposal to the United States.

ALFONSIN TO VISIT USSR, EXPAND EAST BLOC TIES

PA191353 Madrid EFE in Spanish 0829 GMT 19 Jan 86

[By Jesus Fonseca Escartin]

[Text] Buenos Aires, 19 Jan (EFE) -- The Argentine Government will seek a new political and commercial strategy with regard to the eastern nations, through the visit of Foreign Minister Dante Caputo to Moscow on 27 January. Caputo will prepare a summit visit of President Raul Alfonsin to the USSR for mid-May -- the first visit by an Argentine chief of state to Moscow. Western diplomatic sources accredited in Buenos Aires consider that the current Argentine Government has decided that 1986 will be the year of definite incorporation of the socialist countries into its foreign policy. Argentine difficulties in placing its products in the traditional Western markets were a decisive factor in this rapprochement with the socialist area.

Meanwhile, the Argentine authorities wish to have a political rapprochement with the USSR. The commercial balance between Buenos Aires and Moscow at present is unfavorable to the USSR by $890 million annually. Alfonsin will also take advantage of this trip, noted for its search to reinforce diplomacy with the East and to strengthen ties with Hungary, one of the key countries of the Warsaw Pact.

It is expected that on a political level, this Argentine rapprochement with the USSR may result in the announcement of a call for nuclear disarmament.

On 17 January, Alfonsin received at the Casa Rosada, seat of the government, the roving Soviet ambassador, Igor Kolosovskiy, who brought him a message from Soviet leader Mikhail Gorbachev. A Soviet Embassy spokesman in the Argentine capital said that had informed President Alfonsin of "new initiatives proposed by Moscow concerning the arms limitation and disarmament, announced recently." It was also revealed that Gorbachev's message to the Argentine chief of state indicated that in the USSR "his efforts to reduce the threat of nuclear war are appreciated."

Argentina, Sweden, Mexico, Tanzania, Greece, and India have suggested a moratorium on nuclear tests for 12 months, which was immediately accepted in Moscow. This all indicates that Argentina wishes to consolidate a more intense link with the socialist bloc, within the opening to the world of its new democratic ways.

ALFONSIN ASSESSES ECONOMY IN VILLA REGINA SPEECH

PY172348 Buenos Aires Domestic Service in Spanish 1442 GMT 17 Jan 86

[Speech by President Raul Alfonsin in Villa Regina, Rio Negro Province, on the reopening of the Crybsa Enterprise, a manufacturer of heavy equipment -- live]

[Excerpts] Messrs governors of Rio Negro and Neuquen Provinces, Mr Mayor, Apostolic Nuncio, Mr President of Crybsa, Mrs Maria, ladies and gentlemen. The governor of Rio Negro has rightly stated that this ceremony is symbolic, not only because of the significance of the reopening of an enterprise, but also because in 1986 Argentina will begin growing along a course from which it will never veer until it reaches the place that it must occupy in the international community. [shouts, applause]

We are aware of the legitimacy of the demands for improving the workers' standard of living. Yet, if we do not realize that demands must be met within our possibilities, and if we insist on making such demands without taking into account the real possibilities of the economy, we will actually jeopardize the interests of the workers, whom we claim to defend. [applause] European labor leaders have pointed to this situation. It has been said in recent forums that only the nation's income, that is, the income generated with what we produce and sell, can be distributed. There have been demands for changes, so that the labor movement can continue to be the driving force of social progress, without ever being mistaken for agitations by the adventurers who conspire against democracy. [shouts, applause]

This is nothing new, because we have experienced it. We know it. Argentina has on several occasions experienced hardships. Today, we are facing our most serious and most difficult situation. We are confronting new problems that we must solve with our joint efforts. The situation was also difficult in 1974 and 1975, although it was not as difficult as the current situation. When General Peron was urging a strike and a social pact, he said those who conspired against the people's efforts and caused inflation merely to achieve nominal increases were cheap demagogues and enemies of the nation. [applause, people shout Alfonsin, Alfonsin] Unfortunately, General Peron died and his wife wound up giving in to pressures that challenged the concept of patriotism. This happened in June 1975. It is good for all of you to know about this and for the elderly people to recall it.

Applying a standard of 100 for the salaries prevailing in 1973, in May and June 1975, the index diminished, reaching 97. In June 1975, salary increases took place. In June 1975, the salary index climbed to 155. It seemed like everyone was over-optimistic. However, in September 1975, barely 2 months after the salary increase, the index reached 92, below the May figure. And in September 1985, we had one of the lowest salaries on record because attention was paid to demagoguery and a conspiracy was aimed at the workers themselves. [applause, shouts of Alfonsin, Alfonsin] The government has responded to this serious problem of the Argentine economy. The poor sector is our main concern. The government has provided an opportunity to end the longstanding practice of nominal salaries.

It is easy for businessmen who lack faith in the country to cause price increases, pass them along, and create the same situation or a worse situation the following months; thus, several steps are taken on the inflation ladder. Sometimes they come to us, asking for salary increases because they want to avoid the restrictions of a sound economy, and go on speculating within the framework of inflation.

By acceding to these requests, we would waste the efforts of many people, both men and women, especially the latter, who administer the meager salaries of their husbands. These women have done wonders during these 7 or 8 months as we have struggled to attain stability. We have continued to try to change, because I, like the Argentine people, cannot give up that effort. We have said that we do not want salary increases, but we want them to be real increases so that they will not soon be lost on high prices, thus unleashing inflation once again. We want increases so that the workers can earn the same salaries in real terms. Thus, we convinced the businessmen to grant a 5 percent salary increase without raising prices and to discuss another 5 percent increase with the labor sector in terms of productivity increases. Furthermore, we offered and granted increases in family allowances of 50 percent. We said that we were thus making possible a 12.5 percent increase for a normal size family.

It seems that none of this has been taken into account, because I have not yet heard of any labor union that has initiated the appropriate talks in order to obtain another 5 percent. On the contrary, the labor unions have initiated a campaign to besmirch the government. They have decided to bring the country to a halt, which I hope will at least be cause for mediation. The date 24 January does not matter much, but the 25th does matter. [shouts and applause]

We are accused of being insensitive to the demands of social justice. I can assure you that the economic adjustment that Argentina is going through is unique. I do not believe there is any other country where so much care has been exercised so that the efforts are equally distributed and so that the burden of the adjustment of the economy will not fall mainly on the working people. The situation is indeed unfortunate, the demands are indeed legitimate. But I can just ask you to see what we have tried to do in order to solve a problem that we did not create or help to create. We have set up the most important social program in Argentine history, which permits us to feed more than 5 million of our countrymen. [shouts, applause] This program was not limited to the National Food Program, but included the school lunch rooms for the purpose of eliminating malnutrition among children in the Argentine Republic. The program will also make it possible to offer medicines free of charge to millions of our countrymen. We are going to implement social insurance to take care of the people's health, which is the most previous asset of every man, woman, and child. [applause] Also, without precedent in Argentine history, we have set up the system of purchase in community, a system that is today benefiting millions of our countrymen. This permits the expression of solidarity and participation in an economy in crisis through an imaginative program. Of course, we know that more is necessary, but we have just begun a new march. Anyone, even the Argentine who is suffering the worst hardships, knows that this is not a government that is insensitive to the demands of the people. It is, rather, a government that is responsive to the people's needs, seeking to find legitimate solutions which are not those of easy demagoguery, as General Peron used to say. [shouts]

It has also been said that we are surrendering the country's economy on account of the foreign debt. This is obviously irresponsible and goes beyond frivolity. We have been advised that we should unilaterally declare a moratorium and use the funds we now pay as interest for projects, which would permit us to reactivate the economy. It is easy and simple to say this. Where do these geniuses in economics think they are? Where can a country that would do this be found? [crowd shouts] These geniuses are only agitating the Argentine people in order to dash their hopes and disturb their peace. We are proud of what we are doing inside and outside the country to affirm our national sovereignty, our liberation, and our independence. We have taken the initiative to call the countries of Latin America to join their voices to demand different treatment for the foreign debt problem, to demand political consideration for a problem that is not merely an economic and financial problem, but a problem that could entail hunger for our people.

We said we would never pay our debt at the expense of the hunger of our people by accepting conditions that would lead to that situation. [shouts, applause] We made our voice heard in Cartagena, Mar Del Plata, Santo Domingo, and Montevideo, and there is the answer that comes from the center of capitalism, suggesting the search for solutions along the lines we had proposed. We are absolutely convinced of the importance of our statements to that effect on the international stage. We made these statements on behalf of Argentine democracy. These statements were intended to remove the discrimination we suffer in foreign trade and to call for a new economic order to once and for all end injustice, which is at the root of wars.

We went out in the world to speak for peace because, despite all our internal difficulties, we knew that we were interpreting a true concern of the Argentine people, a true concern of His Holiness John Paul II, and a true concern of all people of good faith in the world. Thus we proclaimed the need for peace among men everywhere. We signed a document with six chiefs of state, and yesterday I received the personal envoy of the Secretary General of the Soviet Union, who handed me, as one of the signers of that document, the declaration and proposal the Government of the Soviet Union has made public. We can therefore confidently suppose that a magnificent possibility has thus opened to proceed with the struggle for peace.

This is the prestige of the Argentine democracy in the world, not the prestige of a government, not of a politician. This is the prestige of the Argentine people who are, in the eyes of a sometimes astonished world, emerging from stagnation of all sorts, in which we have lived. The people are accomplishing this through the state of law, the responsible prosecution of those who violated the law, and the independence of the branches of government — in this marvelous effort to create the Argentina, which, as I have said, we want to bequeath to our children.

Thus, let them not come to tarnish that prestige from inside. Who do they think they are? Making a tremendous effort, we have disrupted the IMF orthodox methods, imposing our own adjustment program, a program chosen by Argentines, voted on by the Argentines on 3 November. [applause, shouts: Dear Alfonsin, the people are with you!] It is our imagination. It is our intelligence. It is our effort. How will they come and tell us that someone else did it? It is our pride. It is our decision and our calling to build this Argentina -- a participatory, modern, brotherly country -- through cultivating efforts, overcoming the resignation with which we formerly accepted slogans, empty phrases, and rhetoric without substance.

It is necessary for everyone to understand that we have not yet overcome the risks facing Argentine democracy. The ultrarightist sectors, which profited under authoritarianism, have not yet been fully defeated in the country. There are sectors with fascist concepts which are interested in attacking the freedom enjoyed by the Argentine people, looking for the slightest possibility to muddy the water and impose their criteria and turn against democracy. No one in Argentina ignores this circumstance unless he is stupid. However, new winds are also blowing in the left-wing sectors. This forces us to think seriously about the need to defend this pluralist democracy, which is the Argentine people's great heritage within the framework of liberty.

The Communist Party of Argentina [PCA] has changed a strategy it has followed for several decades. For many years, the PCA spoke about the necessary stage of what it called a bourgeois democracy. The PCA defined a policy of alliances with businessmen of the national bourgeosie. Under military regimes, the PCA even talked about democracy's armed men. And now, the PCA has changed this strategy. All of a sudden, the PCA said it has made a mistake and it has been arrogant about understanding other revolutionary movements. And this is how the PCA is now seeking a type of alliance within the left with the Trotskyist sectors in the country to agitate, like the MAS [Movement Toward Socialism] for example, and hurt democracy because those Trotskyist sectors are not interested in democracy. They want to increase conflicts with the goal of seeking cannon fodder to serve their spurious goal of seizing power. [shouts, applause] And this is why 2 or 3 days ago in Buenos Aires, they provoked disorders and street violence like provocative adventurers.

Thus in the face of threats from extremists of both sides, this is the time for Argentines to decide what kind of society they want to live in and what kind of country they want. If they decide to support pluralistic democracy, human dignity, freedom, and a just and free society where everyone enjoys the same rights, they should also decide whether the people who share the same ideals should always be arguing and trying to gain political advantage as if they were enemies. The people do not want this confrontation. The Argentine people want accord among their democratic leaders, and we have to meet this aspiration. In no way can we allow party interests to prevail over the interests of the nation. The government cannot be expected to apologize every day because it won an election. The government won an election because that is what the people wanted. [Shouts, applause]

An electoral campaign should not be started 2 years in advance just to hinder government action. All of us must build a great nation, all of us must work for our country, for our people. It is absolutely essential that the Argentine people unite. We are convinced that it is absolutely necessary to make this effort. Let us continue on the same course, in search of solutions, asking for what we are entitled to receive, but also bearing in mind the answers that we can receive, bearing in mind that a salary increase must not cause the inflation and unemployment rates to go up.

All of us together will build the Argentina we want for our children. It is a task to be undertaken not only by the government but by all the media as well. Good news should not pass unnoticed while absurd and always-false criticism impairs our people's determination to move forward. We want the media to disseminate the news. We want everyone to say what he wants the way he wants. But we also want responsibility, which is essential for preserving this democracy, which is still weak. The important thing is not who will win the elections in 1987 or 1989. The important thing is that the Argentine people must continue to live in democracy. This is our responsibility. [shouts, applause]

OPPOSITION LEADERS COMMENT ON ALFONSIN ADDRESS

Peronist Deputy Concurs

PY201804 Buenos Aires BUENOS AIRES HERALD in English 20 Jan 86 p 5

[Text] (NA-DYN) -- President Raul Alfonsin's controversial Villa Regina speech on Friday drew praise from unexpected quarters yesterday when Peronist deputy Herminio Iglesias broke his "strategic silence" to say the President "toed the true national line" and "identified the country's real enemies" in blasting the Communist Party and the Movement Towards Socialism (MAS). Iglesias also rejected the leftwing violence surrounding the visit of United States banker David Rockefeller, although he added the Argentine people is "disgusted" with the latter. The Buenos Aires party boss also said the recently promoted state-of-siege conspiracy suspects are innocent until proven guilty because "the courts have to serve for something."

Apart from Iglesias, support for the President's speech was largely restricted to his own Radical party. The capital branch of the party headed by Jorge Gomez and Enrique Nosiglia came out strongly in favour of it, unlike the National Committee which said on Saturday it will only state its support if "considered necessary," which committee chairman Edison Otero thought unlikely. Senator Otero also condemned leftwing violence.

62 Organizatons leader Lorenzo Miguel said on Saturday that the 62 would release a statement on the speech today or tomorrow. Miguel also said Alfonsin could not compare himself to former president Maria Estela Martinez de Peron when he spoke of unions "twisting his arm" since Mrs Peron did not set wages by decree, adding that free collective wage bargaining had to be restored. The metal workers' leader condemned the repression of the anti-Rockefeller demonstration last Monday.

Hebe de Bonafini, chairwoman of the Mothers of Plaza de Mayo, and the Trotskyist Workers' Party were two of the critical voices over the weekend with de Bonafini saying the government was shifting to the right. Alfonsin should have criticized the police at the anti-Rockefeller protest, she said.

Business Leader 'Discouraged'

PY201335 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2155 GMT 17 Jan 86

[Text] Buenos Aires, 17 Jan (NA) -- Juan Carlos Lightowler Stahlberg, chairman of the Coordinating Agency for Mercantile Activities (CAME) admitted this afternoon that he was "confused and discouraged," after hearing President Alfonsin's speech. Stahlberg said that "when we expected to hear specific plans to find the way out of our current situation, we heard that the General Confederation of Labor is to blame for all the problems and that communists are devising a plot."

"I believe the president is wrong to think that those of us who disagree with his economic policies intend to destabilize him and his administration. The workers have the right to ask for better salaries, and it is obvious that the present salaries are insufficient. We businessmen have the right to expect economic reactivation, but that does not mean we are in favor of coups because democracy does not mean saying yes to everything, while companies go bankrupt and workers lose jobs," CAME's chairman said. Finally, he said that "to say that 1986 will be the year of reactivation, and to speak of vague measures for the end of the summer while the situation worsens daily, represents nothing new."

PCA Responds to Criticism

PY181437 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2320 GMT 17 Jan 86

[Text] Buenos Aires, 17 Jan (NA) -- The Communist Party of Argentina [PCA] today reiterated that it will be "the first to defend democracy" and attributed the statements President Alfonsin made in his speech in Villa Regina to the fact that he "is the victim of a maneuver by the intelligence services, which want to distort the real objectives of the PCA." Fernando Nadra, the official PCA spokesman, has said that "whoever issues the order" will be responsible for any incidents that may occur during the strike called for 24 January, because, as he put it, "neither the PCA nor the CGT [General Confederation of Labor] sponsor violence."

During a press conference that was urgently called by the PCA Central Committee, Communist leader Oscar Arevalo said in connection with the criticism by President Raul Alfonsin that the fact that the presidential attack came simultaneously with the confirmation that the foreign debt will be repaid "leads to the conclusion that the government's position has shifted toward the right." Arevalo said that in his speech, Alfonsin "announced a stage that will be much more difficult for workers" and that the president leveled "false charges against communism, like Vernon Walters did."

For his part, Nadra said that today he asked Public Information Secretary Juan Randonjic for television time to answer the president's remarks about the PCA, adding that it would be "actually useful" to hold a dialogue with Radical leaders, with President Alfonsin, or with Interior Minister Troccoli. Nadra stressed that before leveling charges against the PCA, the government "should have called us and asked us." Nadra said Alfonsin's remarks about the PCA were wrong and unfair, "wrong because they are not true, and unfair because one cannot understand why he said such things." He added that the president was misled by "the information provided by the intelligence agencies, which frequently distort reports, particularly if people's sectors, the labor movement, or the PCA are involved."

Concerning the alliance with Trotskyite sectors, Nadra defended the creation of the People's Front and its integration into socialism, although he made it clear that "we do not support the extreme left and we will not support it while we are [words indistinct] violent, neither by tradition or practice."

"All this is a result of the visit by David Rockefeller, who did not come to greet us, but to demand that the foreign debt be repaid and to asphyxiate us," he added. He thus justified the people's expression of repudiation last Monday, and upheld the "right to protest in this democracy." After recalling the acts of violence, he recommended that the president learn "who gave the order to repress" and that he "stop worrying about the technical problems of Trotskyism." Nadra blamed the placing of the parked vehicle on an "intelligence agent" and said that "all of us should learn from Guglielminetti, who said he dressed as a worker and then joined demonstrators to arrest them later." [sentence as received] Nadra, who is the Central Committee political commission secretary, also charged that the newspapers LA PRENSA, LA NACION, and AMBITO FINANCIERO "have joined the campaign orchestrated by the intelligence agencies."

MILITARY OCCUPIES REFINERY TO PREVENT SABOTAGE

PY162004 La Paz Cadena Panamericana in Spanish 1700 GMT 16 Jan 86

[Excerpt] This is a report for Radio Panamericana from Santa Cruz. Military forces practically took over the Palma Sola refinery at 0330 today because of rumors that refinery workers were going to sabotage the plant. The workers have been demanding a salary increase for 2 weeks. At 1030 this morning, the departmental prefect delivered a document [words indistinct] to the press. The main part of the document says:

The departmental government reports that it has decided to exercise its constitutional rights in light of new attacks against elements and resources of the public service by a small group of pseudo-unionists who have been inciting workers to leave the Palma Sola refinery and obstruct the supply of fuel to the people of Santa Cruz, thus violating Article 156. In view of this emergency situation [words indistinct] against the interest of the community and a strategic state enterprise [words indistinct] and the rights of the workers [words indistinct] against labor legislation by pseudo-unionists, the departmental government has ordered the protection of the Palma Sola refinery by military forces. A few minutes ago the rank and file leaders [words indistinct] expressed their repudiation and rejection of the departmental government's decision, saying that the occupation of the refinery by the military was carried out by force. Another document using the same terms was released by [words indistinct]

BRAZIL SEEN AS FUTURE COCAINE PRODUCER

PY181826 La Paz Cadena Panamericana in Spanish 1130 GMT 18 Jan 86

[Text] A report by our correspondent in Cochabamba says that drug traffickers are demoralizing the Bolivian police. This has been stated by the Interior Ministry under secretary who is in Cochabamba.

[Begin relay from Cochabama] The immense power of drug traffickers is beginning to destabilize national institutions and discredit the Bolivian police, which continues its repression campaign, aaid Interior Ministry Under Secretary Guido Meruvia. He stated that the reports on abuses committed by the Leopards [specialized antidrug police] in the Chapare area have been spread with that intention. The official alleged that there are people who are responsible for manipulating the interests of drug trafficking and that, therefore, it is necessary to intensify the campaign against drug trafficking, especially the international connections. [end relay]

Brazil will become the foremost cocaine producer of the world, because it has thousands of hectares of natural coca plants. The report from Cochabamba also deals with this aspect:

[Begin relay] In a short time, Brazil will become the largest cocaine producer, because it has thousands of hectares of wild coca plants, according to the National Center for Struggle Against Dangerous Drugs. Colonel Guido Lopez has revealed that Brazilian Indians are manufacturing cocaine for export to European countries. According to the police officer, Brazil has many areas full of the famous (epagu) plant, a 6-meter high bush with a degree of purity similar to the coca leaves of Chapare.

Radio Panamericana has reported from Cochabamba. [end relay]

SARNEY TO ANNOUNCE CABINET CHANGES 14 FEB

PY202105 Sao Paulo FOLHA DE SAO PAULO in Portuguese 18 Jan 86 p 4

[Excerpt] Brasilia -- During an interview held in Brasilia yesterday, President Jose Sarney stated that he will reshuffle the cabinet "in one fell swoop" that the names of the ministers will be decided in late January, and that names will be announced on 14 February. The president, who shunned further discussion of the cabinet reshuffle, did not elaborate on the names or the number of ministers to be replaced.

PRESIDENT GRANTS PUBLIC SERVANTS PAY INCREASE

PY190054 Brasilia Radio Nacional da Amazonia in Portuguese 0900 GMT 18 Jan 86

[Excerpt] President Sarney has signed a decree granting a salary adjustment of 14.35 percent of the inflation rate to public servants, who at the beginning of the month had received a readjustment of 75 percent of the inflation rate.

This announcement was made by Administration Minister Aluizio Alves at the Planalto Palace. He said that public servants have had a real salary increase of 25 percent.

[Begin Alves recording] The 1985 inflation rate totaled 233 percent. During this period public servants had an increase of 258 percent, that is, they experienced a real salary increase of 25 percent. [end recording]

Alves said that a 14.35 percent readjustment will be paid beginning this month. This means that this sector has experienced a salary readjustment of 89.35 percent.

LIBYA SUSPENDS MILITARY DELEGATION'S VISIT

PY171800 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 16 Jan 86 p 5

[Text] The Libyan Government has decided to suspend the visit of a military delegation that was to come to Brazil in February or March on a familiarization tour of the arms manufacturing, aeronautical equipment, and defense materiel industries. The entire diplomatic mission, in which representatives of the Libyan Armed Forces were to participate, was to have discussed the overall relations between the two countries. This mission will now most likely be completely canceled, according to an announcement in Tripoli by the Libyan Foreign Ministry spokesman, Abaa Sahad. The same official said that a 70-member mission was to come to Brasilia "to discuss general trade ranging from frozen food to textiles and shoes."

Sahad recalled that the Libyan Armed Forces are interested in maintaining the possibilities of obtaining Brazilian-made defense equipment and are willing to invest nearly $300 million "over a 2-3 year period in their acquisition." This in practice is no more than the fulfillment of agreements that have already been signed, and therefore, no new negotiations will be necessary. Some of these agreements have never been canceled, even after the incident at the Belem and Manaus airports when Libyan cargo planes transporting weapons to Nicaragua were seized in 1983.

The companies participating in this program, which had previously been contacted by the Libyan diplomatic representation have been informed about the possible cancellation of the Libyan business-military mission.

These companies are Specialized Engineers, Inc [Brazil Aviation Aerospace Company], and other minor companies of the Vale do Paraiba and Rio Grande do Sul.

Sahad pointed out that this change is in no way a reflection on Brazil, but "a prudent move during a delicate political period when the visit of some officials to the Brazilian armament industry could be misinterpreted."

Army Fears Boycott Effects

PY190108 Buenos Aires TELAM in Spanish 2259 GMT 18 Jan 86

[Text] Brasilia, 18 Jan (TELAM-ANSA) -- An Army high command source, who refused to be identified, has said that if Brazil joins the U.S. boycott of the Libyan Government, the Brazilian ordinance industry will sustain incalculable damage.

Brazil, which is currently exporting military equipment like the "Cascavel" and "Urutu" armored cars together with surface-to-air missiles, is also negotiating the sale of Astros rocket-launchers (an artillery saturation weapon), "Osorio" tanks, and "Tucano" planes for military training.

According to the same source, the military has asked President Sarney to instruct Foreign Minister Olavo Setubal to hold talks but to avoid supporting the U.S. boycott.

Itamaraty sources have reported that after analyzing the issue with President Sarney, Foreign Minister Setubal gave assurances to the Libyan ambassador to Brazil that "the Brazilian Government will not take any measure against the Libyan Government."

It has also been said that no country in the hemisphere will support the U.S. President, because military analysts are convinced that the U.S.-Libyan political problem is abating.

PLANNING MINISTER REPORTS ON STATE OF ECONOMY

PY190240 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 17 Jan 86 p 28

[Text] Planning Minister Joao Sayad reported yesterday that the GDP in 1985 grew by about 8 percent, and predicted a lower growth rate for this year because the current drought, for instance, will cause a two-percent reduction of the agricultural production.

Minister Sayad yesterday afternoon presented information to President Jose Sarney regarding production, employment, unemployment, prices, and salaries in the Brazilian economy. Talking to the press at the Planalto Palace, Minister Sayad said that he favors the collective resignation of the Cabinet in order to give the president a free hand to reform it, but did not say whether he wanted to remain in the Cabinet.

The nationwide average rate of unemployment in November 1985 was 3.9 percent, the lowest since 1982 and 36 percent lower than the rate in November 1984. The lowest unemployment rate was registered in the state of Sao Paulo, with 3.6 percent, which represented a 12.2 percent reduction from the October rate. In Recife, Pernambuco State, the unemployment rate remained high, at 5.4 percent.

According to the data Minister Sayad presented to President Sarney, the largest reduction in the average unemployment rate, 51.5 percent, occurred in the civil construction sector. The minister observed that the unemployment reduction, although it follows the current good performance of the economy, has not benefited the most needy sectors, which are structurally excluded from the opportunities created by economic recovery.

Therefore, the planning minister told the president, people who are engaged in jobs earning no salary or less than minimum salary still represent 13.3 percent of the total labor force in the Sao Paulo metropolitan area, and 26.3 in the Salvador metropolitan area.

Industry

From January to November 1985, the Brazilian industrial production increased 8.1 percent. The mineral extraction industry grew 11.6 percent, and the manufacturing industry 7.9 percent. The durable consumer goods sector had a 22.6 percent expansion in November 1985 compared with the previous month. The capital goods sector had a 15.5 percent increase and the nondurable consumer goods sector 9.8 percent. According to the Planning Ministry, the expansion is based on the improvement in real salaries and on the demand for capital goods for industrial modernization. The overall industrial expansion in 1985 should be 8.2 percent, which represents a level of recovery prior to the 1981-83 recession.

Agricultural Harvest

Minister Sayad told the president that the current drought continues to worsen the prospects for this year's agricultural production. Based on data collected by the Brazilian Geographic and Statistics Institute through November 1985, the main crops in the central-south region and in Rondonia have been affected by reductions, especially the first-harvest beans (50 percent), cotton (11 percent), onions (3.5 percent), and corn (17 percent). Depending on weather conditions in the coming weeks, the drought impact on the planted areas could cause a two-percent decrease in total production.

Salaries

Sayad showed the president figures on people employed in industrial activities through October 1985. These figures proved that there has been a positive evolution of employment in the urban-industrial labor market: cumulative employment 5.5 percent; monthly average, 6.5 percent. According to the Planning Ministry, these figures prove the solid recovery of industrial employment. From a negative 0.7 percent in January, the employment rate grew to 5.5 percent in October.

Salaries had a 10 percent recovery in real terms through October 1985. There have been successive real increases in the average salary in the couple of months preceding October.

The average income of employed people in Sao Paulo increased from 1.36 million cruzeiros in October 1984 to 1.502 million cruzeiros in October 1985. The income of skilled labor-card-carrying workers went from 1.474 million to 1.615 million cruzeiros over the same 1-year period. In Rio de Janeiro, incomes are 200,000 cruzeiros less on the average.

U.S. CULTURAL INSTITUTE, RAIL STATION BOMBED

PY192120 Paris AFP in Spanish 1323 GMT 19 Jan 86

[Text] Vina del Mar, Chile, 19 Jan (AFP) -- Three attacks with explosives were carried out early this morning in Vina del Mar, 140 km west of Santiago. The attacks were against the Chilean-U.S. Cultural Institute, the railway station and the bus terminal, and seriously damaged windows. The police have reported that the explosions did not cause any casualties, but that very loud explosions were heard in several sectors of this elegant resort that is located on the Pacific coast and where approximately 60,000 Argentines are currently vacationing. No organization has claimed responsibility for these dynamite attacks that come 9 days after a vehicle was partially destroyed by an incendiary bomb in the rural locality of La Cruz, 50 km from Vina del Mar. In December 1985 the clandestine Manuel Rodriguez Patriotic Front, which promotes armed struggle against General Augusto Pinochet's regime, claimed reponsibility for three similar attacks, one of which caused the death of a guard.

INTERIOR MINISTER DISCUSSES KENNEDY'S VISIT

PY170234 Santiago Radio Nacional de Chile in Spanish 2200 GMT 16 Jan 86

[Passages within quotation marks recorded]

[Excerpts] Interior Minister Ricardo Garcia remarked that Edward Kennedy's visit was informal and unofficial. He also said that the government granted him a courtesy visa and personal security. The minister made these statements after having met with the president of the republic. He informed the chief of state about the visit of the U.S. politician and about other matters related to his ministry.

[Garcia] "Because he is controversial, Kennedy caused conflict. I believe that this was noticeable. We have ensured Senator Kennedy's security. All appropriate measures were taken, which is well known. The senator left the country today without any personal problem, as far as I know."

Minister Garcia also said that Chile and the United States have many common interests but that Edward Kennedy is not among those working for these common interests.

[Garcia] "Mr Kennedy, as everyone knows, has made comments and proposals and taken attitudes which are not beneficial to the country."

Regarding the performance of the Carabineros, their mission was to suppress violent acts during Kennedy's visit, and Minister Garcia stated that they obeyed orders to ensure the security of the foreign visitor. He also pointed out that any demonstration, with the slightest amount of violence, is totally rejected by the government. On the other hand, the minister termed absolutely groundless statements by Gregory Gray, Kennedy's political adviser, who held the government responsible for the events near the airport when the U.S. senator arrived.

[Garcia] "These are statements based on nothing concrete or logical. The government is not connected to any demonstration by the public who may be against Senator Kennedy's image. The government does not stage, sponsor, or organize any demonstration of that kind and the accusation which Gregory Gray may have made is not correct." Concluding, Minister Garcia said that it is up to the Chileans to solve the problems of Chile without any foreign intervention.

GOVERNMENT OPTIMISTIC ON CONTADORA PEACE PROCESS

PA200248 Bogota Cadena Radial Super in Spanish 1730 GMT 18 Jan 86

[Text] Bogota -- Today, the Colombian Government stated that the negotiations held in Guatemala early this week and the new meetings of the Contadora Group give rise to hopes that the process of diplomatic negotiations will shortly lead to the establishment of the final basis for signing the Contadora Document for Peace and Cooperation in Central America.

This view was expressed in a communique issued today by the Foreign Ministry recapping the events that took place on Monday and Tuesday in Guatemala during the inauguration of Guatemalan President Vinicio Cerezo. The communique stated that the Central American and Contadora and Support Group foreign ministers had confirmed that 36 months after finalizing a general and comprehensive agreement in order to overcome the climate of hostility, curb the arms race, foreign intervention, and the policies of force. [sentence as heard]

FRG'S WARNKE VISITS, OFFERS ECONOMIC AID

PA180028 Hamburg DPA in Spanish 0016 GMT 17 Jan 86

[Text] Bogota, 16 Jan 86 (DPA) -- Impressed by what he saw, the FRG minister of economic cooperation, Juergen Warnke, announced today that the Bonn government will offer initial aid of 28 million Deutsche marks (approximately $8 million) for the Colombian victims of the tragedy of the Nevado del Ruiz "Arenas" Volcano, and noted that his country will participate in the reconstruction projects in the affected area.

This morning Warnke, who arrived in Bogota last night for a brief 20-hour visit to Colombia, visited several communities in Tolima Department, which suffered the greatest damage as a result of the eruption of the Nevado del Ruiz Volcano.

The minister traveled in a Colombian Air Force (FAC) helicopter accompanied by Juan Manuel Ospina, assistant director of the reconstruction fund (Resurgir): Rodrigo Villamizar, chief of regional and urban development of the National Planning Department, and Georg Schlaich, FRG ambassador to Colombia.

"To really know what happened in Armero and the other communities as result of the volcano eruption, one must come here and see it with his own eyes," Warnke told DPA, visibly impressed by what he saw in the stricken area.

"There is a large amount of money available to aid the victims and to help in the reconstruction of the affected areas, but we want this assistance to be channeled through the Colombian Government which knows what projects require funds for their execution," Warnke affirmed.

On returning to Bogota shortly after midday, the FRG minister of economic cooperation attended a luncheon held in his honor at the Government Palace by President Belisario Betancur. The luncheon was also attended by Foreign Minister Augusto Ramirez Ocampo; the presidential designate (vice president) and current Colombian ambassador to Washington Rodrigo Lloreda Caicedo; director of "Resurgir", Pedro Gomez Barrero; and officials of the National Planning Department and the Ministries of Finance, Economic Development, and Public Health.

"What I admired most about the people during my visit to the disaster site was their willingness to continue living in those regions and to carry on," Warnke told President Betancur.

He said the FRG currently has many economic cooperation projects with Colombia, but he noted that "these projects can be expanded; that is why I decided to come personally and learn about the problems affecting this country."

He declared that the Catholic churches in the FRG and Colombia intend to jointly build a small town southwest of Mariquita (in Tolima Department), near Armero, which will have 50 houses for approximately 100 families. The town will be named "San Lorenzo" and its construction will be totally financed by the two churches.

At a press conference at the Eldorado Airport in Bogota shortly before returning to Bonn this evening, Warnke referred to the support reiterated by the EEC for the Contadora Group's peace efforts in Central America.

"Our support for Contadora is unrestricted," Warnke affirmed, and added: "We must not forget that the four Contadora member countries (Mexico, Colombia, Panama, and Venezuela) and the Support Group member-countries (Uruguay, Argentina, Brazil, and Peru) represent almost 90 percent of the population in Latin America. That is why their persuasion force can certainly avert a war in Central America."

He said that the FRG Government will continue to support the democratic opening in Latin America, and pointed out that his country is determined to maintain a closer commercial exchange relationship with the countries in this part of the world.

"We are making efforts to encourage large and small German firms to invest and commit themselves to development programs in Latin America," he stated.

The FRG minister left for Bonn via Madrid at 1820.

PAREJO ON POLITICIANS FINANCED BY DRUG MONEY

PA190249 Madrid EFE in Spanish 1659 GMT 18 Jan 86

[Text] Bogota, 18 Jan (EFE) -- Today, Colombian Justice Minister Enrique Parejo Gonzalez denounced the financing of political campaigns with money from drug trafficking, and added that "not all Colombian authorities are honestly fighting the Mafia."

In a statement to "Radio Cadena Nacional," Parejo appealed to departmental officials to investigate and publicly denounce the aspiring candidates to Congress, departmental assemblies, and municipal councils who are involved with the so-called "hot money."

"These people [drug traffickers] have begun to buy up properties and to talk to local politicians to participate with hot money in the parliamentary lists; however, we trust in the uprightness of the votes of honest people," the justice minister said.

Admitting that the tolerance of some government officials allowed the "rebirth of this evil" in some parts of the country, Parejo warned that Colombia "cannot return to the era of darkness during which my unfortunate predecessor was killed." Rodrigo Lara Bonilla was killed on 30 April 1984.

The official added that his office has received many complaints of politicians being financed with funds from drug trafficking in the Bolivar and Guajira Departments located on the Atlantic coast, in Antioquia Department located in the northeast, in Caqueta, and in the Amazon commissariats located in the south of the country. The elections for congress, assemblies, and councils will take place on 9 March.

PEACE COMMISSION PRESIDENT ON MEETING WITH FARC

PA201527 Bogota Cadena Radial Super in Spanish 1730 GMT 18 Jan 86

[Interview with National Peace Commission President Dr. John Agudelo Rios by correspondent Favio Callejas Ramirez in Bogota -- live]

[Text] [Callejas] Good afternoon. This week, the National Peace Commission went to La Uribe, in Meta, in order to reach an agreement on new talks aimed at extending the truce between the government and the Patriotic Union [UP]. At this moment, we are talking with National Peace Commission President Dr. John Agudelo Rios. Good afternoon, Dr. Agudelo, greetings from radio and television "Supernews" newscast. Following your talks with the UP, what is the atmosphere like for the upcoming elections?

[Agudelo] For 2 days, we talked at length with the Revolutionary Armed Forces of Colombia [FARC] about extending the La Uribe agreements. During this meeting, we talked about all the problems affecting the process so as to find the changes needed to achieve satisfactory compliance with the truce. We truly found a good atmosphere and saw that the FARC is greatly committed not only to participating in the elections through the UP, but also to helping in carrying out the process as orderly and smoothly as possible.

[Callejas] Excuse me, Dr. Agudelo, has President Belisario Betancur received the document you analyzed with the UP, including conclusions and vital issues?

[Agudelo] No. We did not bring any document to La Uribe yet. We merely brought the topics of discussions that we deemed to be basic for extending the truce. The discussions were broad but without suggesting any written document. In fact, this meeting will serve as a basis for drafting a written document. However, before submitting the document to the FARC, it has to be submitted to the president. We are mediators We act [word indistinct]. But, we have already more or less analyzed all the issues that could be deemed vital for the peace process to continue on the right track and for the public to abandon its fears about this process.

[Callejas] Dr. Agudelo, how about the other armed groups with which the government wanted to talk? Did those groups want to join the democratic path, too?

[Agudelo] The fact is that at this point we have lost contact with groups that have not participated or have withdrawn from the peace process. However, I feel that the country is forcing those groups [words indistinct] because all Colombians reject violence. It is my very personal opinion that violence has no future in Colombia...

[Callejas, interrupting] To conclude Dr...

[Agudelo, interrupting] [Word indistinct] will impose peace in the end.

[Callejas] Dr. Agudelo, to conclude, how do you feel, or what are your views regarding the government's interest in calling on the reserves to reinforce or [words indistinct] in places where elections will take place?

[Agudelo] I have no views on this matter because this matter is outside my purview. However, I believe that the government ought to employ the better suited and less controversial merchanisms that would ensure that the elections take place -- as they will -- in a cordial atmosphere. I do not see why these elections will not be like previous ones, that is, a truly civic event and [words indistinct].

EDITORIAL CRITICIZES 'IRREGULARS', KENNEDY

PY171252 Asuncion PATRIA in Spanish 15 Jan 86 p 7

[Editorial: "The Agents of Ignominy"]

[Text] All local media have freely reported the list of "irregulars" who met with U.S. Senator Edward Kennedy, the coward of Chappaquiddick, in Buenos Aires. They are members of a base alliance, a populist front that operates here in Asuncion without any type of restriction and that appears to follow the most cherished traditions of the legionnaires [from the so-called "Paraguayan Legion," which fought against Paraguayan forces during the 1864-70 triple alliance war], because it has branches abroad, particularly in Buenos Aires, the century-old legion's headquarters.

Each of the persons whose name appears on the list is normally pursuing his political activities in Paraguay, enjoying the freedom to travel abroad, make statements and take stands. Nothing curtails their human rights and civil liberties, which they exercise at their discretion. Thus, it is quite difficult to figure out what they will complain about to the man who let his secretary drown to conceal fact that he spent "a weekend" with her.

Anyway, it is more important to identify those legionnaires who will prostrate themselves before the foreign politician, whom they consider to be strong enough to exert pressure on Paraguay, in an attempt to once and for all ban our country from international development cooperation programs, as has already been requested by Domingo Laino and Carmen de Lara Castro. These legionnaires also want to create tension and friction in Paraguayan foreign relations, both in its bilateral relations with the United States and at the OAS and the United Nations. Unable to succeed in the past, the dream that now drives the opposition is the "liberation crusade" of the Bostonian oligarch.

The first name on the list is Arnaldo Valdovinos, of the Febrerista Revolutionary Party [PRF], the ineffable "Fruit Cake Minister" of 1946. His adventures at the Punta del Este casinos with money provided by Castroist organizations are widely known. If he does not come to our country, it is because he knows that his fellow party members consider him to be a member of the "obsolete gerontocracy" and that no one will give him the time of day. Next on the list is "authentic radical" Hermes Rafael Saguier, the brother of Abdon and, therefore, cut from the some cloth. Rafael Saguier is well-known for his persistent attempts to approach a relative, an official of Alfonsin's Radical administration who holds the post of Buenos Aires mayor. This qualification has surely granted him access to the grotesque show to be staged by those who will condemn the "dictatorship" and the "oppression," while pretending to be exiles. However, they will certainly not say that they have been sent by irregular minorities headquartered in Asuncion, where they operate freely, hold their conventions, and invite and receive politicians from Argentina, Brazil, Uruguay, Venezuela, Spain, the FRG, Sweden, etc. Neither will they say that they frequently travel from Asuncion to Buenos Aires and vice versa, as can be easily proven.

The third name on the list is that of Miguel Angel Gonzalez Casabianca, the dull and sordid representative of a residual subsplinter of the "Mopoco," [Colorado Popular Movement], which has been repudiated by the majority of those expelled from the Colorado Party. This man, whose name came last on the list of alternate candidates for the Chamber of Deputies in 1958, who in 1959 joined the noisy destabilizing attempt of May, betting on the promise to "improve his position" or to return 6 months later to hold an important government post, still has the guts to follow Valdovinos and Saguier and to invoke (even if by fraud) the Colorado Party. The Colorado Party is the most powerful Paraguayan political group because it enjoys the largest civic support.

It has historically played the most important role in everything that has been done to support the principles of nonintervention and self-determination of the peoples, which have been the foundations of the Paraguayan nationalist doctrine since the days of Francia, Carlos Antonio Lopez, the Iron Marshal [Lopez, Paraguayan national hero], and General Caballero [known as "the Centaur of Ybycui," founder of the Colorado Party].

Christian Democratic Party representative Cerferino Encina comes last on the list of people who will never again wash their hands after having shaken that of Kennedy, as an expression of gratitude for the ignominious pittance that the conflictive and controversial U.S. politician promises them. A nobody of whom we have nothing either good or bad to say, Encina is not Alfredo Rojas Leon, Romulo T. Perina, or Luis Manuel Andrada Nogues, who cannot be expected to have been left out of this opportunity. This shows that there are differences that some would prefer not to mention; for example, that the entire irregular opposition is divided and that not everyone agrees with the idea of flattering the Massachusetts senator and paying homage to him with typically colonial demands (demands by colonists to people of the metropolis). The differences mark two antagonistic sectors, namely, those who "prefer Asuncion" and those who "prefer Buenos Aires." In the "Authentic Radical" faction, the struggle is between the "portenos" [Buenos Aires residents] and the "locals." The radical sector of the Christian Democratic Party is led by Luis Alfonso Resck, a psychopath who will undoubtedly manipulate the puppet [not further identified], unless Encina proves otherwise. The PRF, the "delegation" headed by the discredited and demagogic Vladovinos also reflects the serious disagreements within the party. Finally, as for the dull "Mopoco" representative, it is enough to recall the categorical condemnation of the abominable alliance between this subsplinter group and the populist front.

It is not necessary to add anything else to have a clear idea of the level and representativity of the agents of the irregular opposition, who will grovel and lick the senator's shoes so he will listen to their defamations and advertise them within his area of influence in the U.S. Congress. They are nothing but resentful politicians who, driven by their ambition and their moral insignificance, have found nothing better than ignominy for overcoming their frustration and emerging from obscurity, even if only in the deathly ghostly glow of delusion.

COMMENTARY VIEWS FOREIGN 'INTERVENTION'

PY180309 Asuncion PATRIA in Spanish 17 Jan 86 p 24

[Main commentary by Poncho Pyta: "Sepoys and Sepoyism"]

[Text] Fifty years ago the influence exerted by dominant U.S. sectors over several countries gave rise to the categorical and derogatory term "banana republic" to refer to the nations totally overpowered economically and politically by the U.S. Administration. Let us not relate in detail the intervention in those years by the United States, which is the leading country in the Western world, in those countries where the United States reached the point of simply applying the "big stick" policy through direct and insolent military intervention. During a trip we made many years ago to the Caribbean, we realized that the luck of the ruler of the country we were visiting depended on his relations with the northern brother, the big brother. My acquaintances there explained to me that "the popularity of any politician here is measured not by popular consensus or by his power to attract people but by his relation with the U.S. ambassador."

Paraguay once suffered a brutal exterminating war, a painful genocide, for maintaining its loyalty to a brother country to guarantee the balance of power in the River Plate Basin. Our country then sunk into a self-made grave for defending itself and its identity as a free and sovereign country before giving in to the miserable circumstances created by some big shots, who schemed to distribute land and influence without consulting the affected peoples or tradition. There has always been in our country a deep sense of national dignity, and if we engaged in military adventures or in bloody confrontations so many times, we did so following our own impulses. We did not request the intervention of a foreign country in our own Paraguayan disagreements except in 1904, during a coup, which was a treason against democracy and which was planned from abroad. Times seem to have changed now however. Since the existence of the "National Accord" its leaders and big shots are continuously bothering the U.S. Embassy for attention. They even go further: They go abroad and beg for protection, influence, and even money, probably saying bad things about Paraguay to get our development loans discontinued. They have no shame or scruples. They hang about the corridors of power just to ask for foreign intervention in our domestic matters. The voluntary mental sepoyism of these bad, self-styled, "democrats" is a sign of the times in which we are living. Even this has changed, and for the worse, of course. We are dragging our lost dignity on the ground, begging for protection and assistance in matters that are only of Paraguayan concern.

PLRA VICE PRESIDENT TURNED BACK AT BORDER

PY171601 Asuncion HOY in Spanish 17 Jan 86 p 9

[Text] In a communique, the Authentic Radical Liberal Party [PLRA] executive board "informs the citizenry that on 23 December 1985 PLRA first vice president Dr Domingo Laino again attempted to return to the country with the goal of returning to the national political scene and, if necessary, submitting himself to the courts. He made this new attempt to return to the country based on the constitutional rights in effect."

In addition the PLRA communique adds, among other things, that "Dr Laino this morning arrived at the Puerto Falcon customshouse where he attempted to fulfill the necessary bureaucratic formalities to enter our country and was again rejected by customs authorities, who were 'acting on orders from above.'"

PRESIDENT GARCIA MEETS WITH CUBA'S BRAVO

PY171541 Paris AFP in Spanish 0427 GMT 17 Jan 86

[Text] Lima, 16 Jan (AFP) -- President Alan Garcia today met at Government House with Flavio Bravo, president of the Cuban National Assembly of the People's Government. Bravo is in Lima to participate in the meeting of the Latin American Parliament, of which Cuba will today become a member.

At the end of the meeting, the Cuban legislator said that he and the president had talked about several topics. Answering a reporter's question, he said that the disagreement that existed between Cuba and Peru regarding the foreign debt is now a thing of the past and that the correct thing to do now is to look to the future.

He also said that he had expressed the greetings of the Cuban Government and Assembly to Garcia and that they had not discussed the invitation to visit Havana that President Fidel Castro made to his Peruvian colleague, but the invitation stands.

CUBA TO PURCHASE 6,000 TONS OF FISH MEAL

PY181326 Lima Panamericana Television Network in Spanish 0200 GMT 18 Jan 86

[Text] Fisheries Minister Jose Palomino has reported that within the framework of an agreement that has already been signed with Cuba, Peru will sell that Caribbean country 6,000 tons of fish meal. The minister noted that Pescaperu [State fish meal and fish oil production agency] will be able to meet the Cuban fish meal demand.

POLICE RAID ARSENAL, THWART TERRORIST ATTACK

PY182117 Madrid EFE in Spanish 1623 GMT 17 Jan 86

[Text] Lima, 17 Jan (EFE) -- Peruvian police have found an arsenal of explosives and prevented the destruction of two high-tension pylons in Lima. They believe the Maoist organization Shining Path had been preparing terrorist attacks to celebrate Lima's 451st anniversary tomorrow.

According to reports here today, the police raided a recruiting and training "school" of the Shining Path, a "clinic", and an arsenal on the outskirts of Lima.

The police also prevented the destruction of two high-tension pylons and a medical post. The reports, however, did not indicate the types of weapons and explosives found or whether there were any arrests.

According to press reports, the police found dynamite, the explosive usually used by the Shining Path members, as well as homemade bombs called "Russian cheese." According to the same sources, five terrorists were detained.

A sack with 30 dynamite sticks was found in the "clinic" and a body, found 2 days ago in a house in Los Cipreses housing unit was identified as that of Genoveva Mercedes Chavez, 28, of Ayacucho, possibly a member of Shining Path.

At the same location, police found seven people with gunshot wounds. It was learned that the house belongs to a professor at San Marco University in Lima, who still could not be found.

According to the Interior Ministry, subversive propaganda, red flags, and surgical material were also found. For this reason, the place is believed to have been a terrorist "clinic."

Meanwhile, members of the Tupac Amaru Revolutionary Movement have raided five radio stations in Lima and one in Chimbote, a port north of Lima, and broadcast a series of subversive messages.

Meanwhile, Lima is preparing to celebrate the 451st anniversary of its foundation by the Spaniard Francisco Pizarro, with a traditional Te Deum, and a series of other ceremonies, such as the placing of a wreath at Pizarro's monument.

TUPAC AMARU STAGES ATTACKS IN LIMA, CHIMBOTE

PY201511 Paris AFP in Spanish 1426 GMT 20 Jan 86

[Text] Lima, 20 Jan (AFP) -- Police have reported that at least five bomb attacks were carried out this morning in various districts of Lima injuring four people and causing considerable material damage.

Groups from the Tupac Amaru Revolutionary Movement (MRTA) began at 0600 with bomb attacks against a restaurant and a club on a downtown Lima avenue, damaging property.

Police reported that a few minutes later, bombs were thrown at a fried chicken restaurant in the Surquillo district, wounding four people, who were immediately taken to nearby hospitals.

Later an MRTA commando detonated a bomb in a luxury hotel in the Miraflores resort area, breaking windows and damaging the front of the hotel but causing no casualties.

Police also reported two minor attacks in downtown Lima, saying that the MRTA left subversive propaganda at the sites condemning government policies.

At the same time in Chimbote, 412 km north of Lima, a Tupac Amaru commando group took over the Interamericana radio station, overpowered the radio personnel, then broadcast a 10-minute message about the armed struggle before escaping.

The Tupac Amaru Revolutionary Movement, an organization that tries to emulate the revolution initiated in Peru by Tupac Amaru II against Spanish dominion in Cusco in 1780, emerged in mid-1984, taking over radio stations, press agencies, and attacking some police stations. Later, this organization attacked food-transporting trucks and distributed the food in the slums of Lima.

After President Alan Garcia took office, the MRTA suspended its terrorist activities in August 1985 to observe a unilateral truce and give itself time to judge the new government. In October 1985, the MRTA went back into action, attacking radio stations and assaulting trucks carrying food, which was then distributed freely.

IGLESIAS DETAILS SUPPORT GROUP ACHIEVEMENTS

PY170221 Montevideo Radio Carve in Spanish 0000 GMT 17 Jan 86

[Text] Foreign Minister Enrique Iglesias has told Radio Carve that at the beginning of 1986, peace in Central America is much closer. Iglesias made this statement upon returning from Guatemala, where he attended the inauguration of the new democratic government.

The foreign minister also indicated that so far there is no confirmation of the meeting of the presidents of Uruguay, Argentina, and Brazil in our country. He also talked about the meeting of the Contadora Support Group.

[Begin recording] [Iglesias] It was a positive meeting, the most positive in the last few years because the crisis or paralysis affecting Contadora was put to an end. Also, a mechanism for diplomatic action was put into operation to mobilize all the necessary means to achieve peace in Central America. During the meeting in Caraballeda, Venezuela, the basis for what we believe will be a permanent peace was established. Also, concrete proposals were made to create an environment of mutual trust in which to negotiate, and above all a very clear call was made for negotiations and the need for them to start immediately.

This was achieved unanimously, so an important environment was created for Guatemala because the eight foreign ministers who went there were able to meet with the Central American foreign ministers and presidents attending the presidential inauguration.

As a result of that meeting, a declaration was signed the night before last supporting the basis and principles of Caraballeda. This does not mean that the problem was solved, but at least an environment of trust and new dialogue was generated, and we are back at the negotiating table. This is real because yesterday morning, the five Central American presidents had breakfast together, and Vice President Tarigo was an honored guest. In other words, a dialogue has begun. This is a very auspicious event because when people talk to each other there is a better chance for understanding than when they communicate through the press. Therefore, I believe that we had a good week.

[Unidentified reporter] Does this mean that we are closer to real peace for that region, which has created so much concern in Latin America and the entire world?

[Iglesias] Well, I would say that we are at least closer to a constructive dialogue to achieve peace. This is a long road, and what has really been done is to prevent things from deteriorating to create an environment of trust and dialogue, which are the first requirements for peace. There is still a long way to go. We have at least broken up this period of dangerous deterioration in this region. [end recording]

CONTADORA, SUPPORT GROUPS TO MEET IN MARCH

PY180132 Paris AFP in Spanish 0326 GMT 17 Jan 86

[Text] Montevideo, 16 Jan (AFP) -- It was announced tonight in Montevideo that the foreign ministers of the Contadora and Support Groups will meet in Uruguay in March, to discuss the repercussions of the message for peace, security, and democracy in Central America, which was approved at the end of last week in Caraballeda (Venezuela).

Uruguayan Foreign Minister Enrique Iglesias said the Contadora Group countries (Colombia, Mexico, Panama, and Venezuela), and those of the Support Group (Argentina, Brazil, Peru, and Uruguay), intend to contact the United States and Cuba now to analyze the document.

He said that the eight foreign ministers will meet from 6 to 9 March, at the Uruguayan resort beach of Punta del Este, (139 km east of Montevideo), to discuss these measures.

Shortly after returning from Guatemala, where he attended President Vinicio Cerezo's inauguration, Iglesias stated that the Caraballeda meeting produced very positive results that justified the hopes sustained before the meeting.

The Uruguayan foreign minister said that when they arrived in Venezuela, the mood of the meeting was that of a group of very demoralized countries, because after 3 years the situation had continued and the tensions and lack of dialogue had increased.

We realized however, that through the writing of the Caraballeda document we have prepared for the first time a document which we believe will be the basis for a permanent peace, he said.

Iglesias recognized that the document will not fully please one faction or the other, but remarked that this means we are in a good position, because peace will be obtained if all interested parties make concessions.

The document approved in Venezuela and later ratified by the five Central American countries foresees a Latin American solution to the regional conflict, self-determination, pluralist democracy, the absence of troops or foreign advisers, and the absence of support for the subversive groups.

The Uruguayan foreign minister also said that U.S. President Ronald Reagan's request for the Congress to approve funds to be given to the anti-Sandinist rebels runs counter to the foundation for peace agreed upon in Caraballeda.

He concluded that it is necessary to sit down and talk in an atmosphere of mutual trust.

SEPULVEDA ATTENDS AFRICAN-LATIN AMERICAN SEMINAR

FL181434 Mexico City NOTIMEX in Spanish 0255 GMT 18 Jan 86

[Text] Mexico City, 17 Jan (NOTIMEX) -- The crisis in Africa and Latin America will be the principal subjects that Mexican Foreign Affairs Secretary Bernardo Sepulveda Amor will discuss at the third African-Latin American seminar, which will be held in Egypt.

The Mexican Foreign Relations Secretariat has added that Foreign Secretary Sepulveda will also speak of the role of the nonaligned nations and of the Group of 77 within the political and economic crisis of these two continents.

Next Monday, the Mexican diplomat and the president of the Arab Republic of Egypt, Hosni Mubarak, will study the role of the Latin American and African states at the United Nations. They will also explore options for resolving conflicts and mechanisms to keep the peace in Latin America (principally Central America) and in Africa (especially Namibia). Other points of interest will be trade, increased transfer of technology, finances, and academic cooperation.

At the third African-Latin American seminar, called Cooperation Between Africa and Latin America and the Concept of the Political Crisis and the Global Economy, Mexican representatives will include: Cassio Luisselli, of the Economic Commission for Latin America; Jorge Silva, of the College of Mexico; Carlos Rico, of the Economic Research and Teaching Center; Fernando de Mateo, of the Mexican Foreign Trade Institute, and intellectuals from the National Autonomous University of Mexico.

The seminar will be attended by representatives of Venezuela, Argentina, Colombia, Costa Rica, and Chile.

The Mexican foreign secretary will remain in Egypt until 25 January.

COMMERCE SECRETARY RULES OUT FREE ZONE WITH U.S.

PA191947 Madrid EFE in Spanish 0204 GMT 18 Jan 86

[Text] Ciudad Juarez (Mexico), 17 Jan (EFE) -- Mexico definitely has not considered, least of all planned, the creation of a 200-mile free zone along the border with the United States, Mexican secretary of commerce, Hector Hernandez, said here today.

At the end of a working tour, Hernandez also said that his country will not establish a common market with Canada or with the United States.

He noted that, while protectionism is on the increase, Mexico will try at least to sustain its exports in 1986.

"However, we will continue backing foreign investment here because if it is well used, it will bring us benefits," he added.

He admitted that oil revenues will be strongly limited in 1986, and announced his support for the urgent increase in the sale of manufactured goods in foreign markets.

Juarez belongs to the state of Chihuahua, and it borders the U.S. city of El Paso (Texas).

SOVIET AMBASSADOR SERGEYEV ON PEACE PROPOSAL

FL172219 Mexico City NOTIMEX in Spanish 2005 GMT 17 Jan 86

[Text] Mexico City, 17 Jan (NOTIMEX) -- Today Soviet Ambassador to Mexico Rostislav Sergeyev asserted that if the United States is interested in decreasing nuclear arms production, it should support the program aimed at completely eliminating nuclear armaments proposed by the Soviet head of state a few days ago.

Interviewed at Mexico City's airport, the Soviet diplomat underscored that now it is the United States, and the three other nuclear powers -- the UK, France, and the PRC -- who have to show the international community their willingness to preserve peace in the world by supporting this proposal to be developed in a 15-year period.

He said the program consists of three stages. The first one would be carried out between the USSR and the United States for as long as 8 years. The second stage would begin in 1990 and, within 4 years, the UK, France, and the PRC -- which also have these kinds of weapons -- would be included. The third stage would end in the year 2000, when no nation would have nuclear weapons.

However, he said the interest in this project will depend on all the countries of the world and the interest shown by President Reagan's administration to thoroughly consider this Soviet proposal.

Regarding this, he said he is confident a positive response will be obtained by the U.S. Government since at the beginning of this week the U.S. President indicated that he welcomed the Soviet initiative.

The Soviet representative in Mexico called 1986 as extremely important in eliminating nuclear weapons and he called the nations of the world to unite their efforts to halt the proliferation of this kind of threat to decrease world tension.

EEC'S CHEYSSON ENDS VISIT, OFFERS FINANCIAL AID

PA172250 Mexico City XHDF Television Network in Spanish 0130 GMT 17 Jan 86

[Text] Claude Cheysson, EEC commissioner for economic cooperation, ended his official visit to Mexico a few minutes ago. He offered EEC financial assistance for Mexico's reconstruction efforts. Olga Borovio has more.

[Begin recording] [Borovio] The EEC is willing to finance a reconstruction project to be determined by the Mexican Government, Claude Cheysson said today on behalf of the EEC. Several hours before his departure from Mexico, the statesman pointed out that he came to Mexico to listen to the Mexican Government's views on current international affairs, including terrorism, protectionism, the Third World debt, and the world economy. He also said:

[Cheysson -- in French with Spanish subtitles] Europe's commitment against terrorism is total. Moreover, it is we in Europe who are currently the principal victims of terrorism.

[Borovio] Cheysson said the 12 EEC member countries are willing to contribute funds for the repatriation of Guatemalan refugees who are in Mexico. He indicated the offer is part of the commitment Europe made with the Contadora Group to help promote peace in Central America. [end recording]

JOINT COMMISSION WITH FRANCE PLANS INVESTMENTS

FL201645 Mexico City NOTIMEX in Spanish 1918 GMT 18 Jan 86

[Text] Mexico City, 18 Jan (NOTIMEX) -- French Ambassador to Mexico Maurice Bernard Bochet has reported that France will invest in Mexico over 2 billion francs (about $310,526,000) in several projects.

He indicated that the Mexico-France joint commission, which recently met, is considering important investment projects financed with French capital and other coinvestment projects.

Likewise, he said that presently the trade balance favors Mexico on 2:1 ratio inasmuch his government buys 100,000 barrels of oil per day as well as different Mexican agriculture and livestock goods, which are in great demand in the French market.

Regarding French investments here, he noted that they are only surpassed by the United States, Japan, the UK, Holland, and the FRG. The new projects, which include the tourism and industrial sector, will become a reality.

He asserted that these investments are a result of Mexican President Miguel de la Madrid's visit to Paris last August, where he held talks with his French counterpart Francois Mitterrand to seek new industrial cooperation and coinvestment ties benefitting the two countries.

He added that Air France plans to open a new Paris-Mexico route for its next spring season to boost trade and tourism between the two nations.

BELIZEAN MINISTERS ANNOUNCE TRADE AGREEMENT

FL170353 Mexico City NOTIMEX in Spanish 2335 GMT 16 Jan 86

[Text] Mexico City, 16 Jan (NOTIMEX) -- Before the end of this year's first 3 months, Mexico will supply Belize electric energy, oil, diesel gasoline, and butane gas through a government to government agreement. After announcing this, Belizean Energy and Commerce Minister Israel Alpuche asserted that the aforementioned agreement will be signed by his country's prime minister and pertinent Mexican authorities.

He said representatives of the two governments will meet in Mexico City at the beginning of April to complete the details and sign this accord, which will greatly benefit the Belizean people. This trade agreement will be signed for at least 10 years.

Before returning home together with Belizean Minister of Commerce and Industry, Alpuche spoke about the domestic policy his government will follow during 1986 and noted that soon it will resume talks with the new Guatemalan head of state to reinitiate relations between the two countries, which have been broken because of Guatemala's claim to Belizean territory.

He said that once Guatemala adopted a democratic government, President Vinicio Cerezo expressed interest in negotiating the claim for Central America to achieve lasting peace.

The Belizean official rejected the possibility that his country become involved in the Central American conflict because it is a very healthy country that loves peace.

PRESIDENT DENIES REPORTED U.S. AID CUTBACK

PA201456 Panama City EL SIGLO in Spanish 20 Jan 86 pp 1, 30

[Text] President Eric Arturo Delvalle has pointed out that at no time has the U.S. Government, headed by Reagan, ordered a cut in economic aid to our country, adding that the confusion stems from an article appearing last Saturday in THE MIAMI HERALD by Sam Dillon, whom he described as the one famous for writing articles that are not very exact.

The report appeared in banner headlines on the front page and pointed out that the Reagan administration is very pleased with the new civilian government in Guatemala and will pull out most of the $40 million promised to our country and turn it over to the Guatemalans.

The report added that the cut in funds is due to the abrupt manner in which Dr Nicolas Ardito Barletta was removed from office.

Delvalle explained that Panama has in fact requested aid from the U.S. Government amounting to $40 million this year. However, he commented that this aid is contingent on meeting certain factors, specifically six points of which Panama has only fulfilled two.

The Panamanian president clearly said there has not been any decrease in the economic aid in the sense that the aid would be granted to another country for any reason, and if right now Panama is not going to make use of these funds, "The U.S. Agency for International Development is free to grant them to Guatemala, as it has every right to these funds."

President Delvalle stated: "As it has been said before, Panama has fulfilled two of the six points, and this calls for assistance in the form of $6 million, which we are going to receive in 1986 from USAID." He added that it is possible that additional funds will be allotted if we take other aspects into consideration.

"We are not sure that we will achieve this, but we are cautiously optimistic that we might be able to increase that amount of $6 million," Panamanian President Eric Arturo Delvalle concluded.

DELVALLE ENDORSES 'ECONOMIC TERRORISM' REPORTS

PA171337 Panama City EL MATUTINO 16 Jan 86 p 1, 8 A

[Article by Roberto R. Rodriguez]

[Text] -- Tocumen Military Air Base -- Minutes after his arrival from Guatemala, where he attended the democratic Latin American civic celebration on the occasion of the presidential inauguration of Vinicio Cerezo, President Eric Delvalle said. "The people will reject demagogic politicians who think that they can only attain power by means other than democratic ones."

Delvalle endorsed the reports of the existence of political groups that have worked out an economic and financial terrorist plan -- locally and internationally -- to discredit the country's image in the eyes of international organizations and to hinder administrative efforts to refinance the foreign debt.

President Delvalle said that, as a matter of fact, he has heard opposition leaders say that if it were necessary to lead the country toward bankruptcy, "they are willing to do so to attain power."

Meanwhile, regarding the aforementioned economic terrorism, and after duly acknowledging that the country is experiencing difficulties and that negotiations are delicate, Ricaurte Vasquez, the minister of planning and economic policy, said that anything interfering with these negotiations would only make things more difficult.

Regarding the misinformation process carried out by opposition political groups, which has been reported by President Delvalle himself and by the leaders of the Revolutionary Democratic Party [PRD], Vasquez commented that this desire to confuse the general public only seeks to undermine the state's capacity for action, which "is an act of violence against the state."

Giving a report of his conversations with various Central and South American presidents, President Delvalle said that these conversations were centered on the efforts that Panama, Colombia, Venezuela, and Mexico, along with the Support Group, are making to achieve peace in Central America through dialogue.

"We all agreed that our countries have to make a great effort to achieve peace in the area," President Delvalle added. He stressed the fact that the ratification of the Caraballeda document by the five foreign ministers of the area was reason for "renewed faith."

Delvalle viewed this action as a confirmation that Contadora "is still valid and that it is and continues to be an example, and the only means of achieving peace in Central America."

Finally, President Delvalle said that the presidential inauguration of Vinicio Cerezo was a civic, democratic celebration for a Latin America that believes in democracy, freedom, human rights, and the discussion of political ideas.

Finally, President Delvalle announced that a preliminary meeting of Latin American foreign affairs ministers would take place in Punta del Este, Uruguay, from 6 to 9 March, to prepare the agenda for the summit of Latin American presidents that will be held in mid-year.

Along with the Panamanian president, Panamanian Foreign Minister Jorge Abadia and Peruvian Foreign Minister Allan Wagner also arrived in Panama. Wagner met with his colleague, Abadia, this afternoon, before departing for Lima tonight.

ABADIA SAYS CONTADORA DOCUMENT WORK CONTINUES

PA181427 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 16 Jan 86

[Text] Panamanian Foreign Minister Jorge Abadia Arias said before his departure from Guatemala today that the technical group of the Contadora Group -- made up of Mexico, Colombia, Venezuela, and Panama -- will meet in Panama City next week to work on the Contadora Group Document for Peace and Cooperation in Central America.

[Begin recording] [Abadia] This document is important because it reaffirms the unity that exists between the Central American brothers and endorses the document issued in Venezuela, which the Central Americans expressed support for yesterday. The presidents that signed [the declaration] confirmed their support for that document and the Contadora and Support Groups.

[Unidentified reporter] What document are you referring to, sir?

[Abadia] Which one do you mean?

[Reporter] The one that was signed this morning.

[Abadia] That is the document of support issued by the Central American presidents, including the new president of Guatemala.

[Reporter] When will the Contadora Group foreign ministers meet again?

[Abadia] We will set the date soon for a meeting of plenipotentiary representatives. It should take place within the next 10 or 15 days to conclude the last details of the peace document.

[Reporter] What are those last details?

[Abadia] Arms control, defense capabilities, security controls, matters regarding the internal security of the countries involved. It is a small portion.

[Reporter] How important is Nicaragua to the signing of the Contadora Document?

[Abadia] They are willing to sign as long as they receive the guarantee that the document will be fully complied with. We trust that this will be so. [end recording]

LEGAL ADIVSER SAYS NORIEGA REMARKS GROUNDLESS

PA181714 Panama City EXTRA in Spanish 15 Jan 86 p 14

[Text] Carlos H. Cuestas, LA PRENSA newspaper's legal adviser, said that General Noriega's statements regarding an alleged terrorist attack on the Panama Canal are groundless and intended to create a climate of insecurity in the country.

Cuestas, a former district attorney whose car was sprayed with buckshot by unidentified people on Friday, said that these statements only help prepare the ground for the National Defense Forces to implement its so-called national security doctrine.

When Cuestas was asked to expand on the recent attack on his LA PRENSA colleagues, the lawyer said that such an act is against the freedom of expression and is one more of the many attempts by the authorities to silence LA PRENSA's free voice.

CORRECTION TO NORIEGA ON GOVERNMENT JUNTA

The following correction pertains to the item headlined "Noriega Said To Promote Government Junta" published on page N 1 of the 17 January Latin America DAILY REPORT:

The sourceline should read: Panama City QUIUBO GRAFICO in Spanish 16-23 Jan p 4, correcting name of publication.

COSTA RICA

ALLEGED CONTRA ATTACKS FROM COSTA RICA DENIED

PA171916 Panama City ACAN in Spanish 1837 GMT 17 Jan 86

[Text] San Jose, 17 Jan (ACAN-EFE) -- Today the Costa Rican Government categorically denied Sandinist reports that counterrevolutionary forces attacked two Nicaraguan helicopters from Costa Rica, damaging them and injuring two crew members. According to the Managua Foreign Ministry, two Mi-8 Helicopters belonging to the Nicaraguan Air Force were carrying out a mission above the San Juan River on the border near the place called Boca de San Carlos when they were attacked and damaged at midday yesterday by rifle shots allegedly from Costa Rican territory.

"That version is totally false," Deputy Security Minister Johnny Campos Loaiza said today. The area where the Sandinists claim the incident occurred, he added, "is among the most protected by the Civil Police," therefore, it "is impossible" that an action by the "contras" took place there, as Managua states.

Meanwhile, reports coming to the government from the zone bordering Nicaragua, the deputy security minister says, state that anti-Sandinist military activity continues on the other side of the river in Nicaraguan territory, and that country's government has not been able to control it. If the Sandinist Army has not been capable of eliminating the guerrillas from their territory, and if they cannot control their actions, "that is part of their internal war," but it is not Costa Rica's fault, Campos said. The attack has been claimed by the anti-Sandinist forces led by Eden Pastora, according to Jose Davila's statements to ACAN-EFE. Davila is the Democratic Revolutionary Alliance (ARDE) spokesman.

The Costa Rican deputy security minister stressed that Nicaragua has always tried to make the world believe that Costa Rica is an aggressor country and an anti-Sandinist ally in order to prevent peace in the country. However, that argument "has been discredited and overused, because every time they have a problem with their guerrillas in the southern part of the country, they come up with the story that they are being attacked from Costa Rica, without any reasons whatsoever for saying this," the deputy security minister concluded.

MONGE: NICARAGUA TIES 'COOL,' CONTADORA STALLED

PA191401 Panama City Circuito RPC Television in Spanish 1700 GMT 18 Jan 86

[Excerpts] President Luis Alberto Monge, who was visiting Palmar Sur, in the Golfito banana region of Puntarenas Province to sign documents transferring Costa Rican Banana Corporation lands and equipment to the Costa Rican Government, spoke with the Panamanian press. Regarding Contadora, Monge stressed that Costa Rica supports the group because no one has offered a better way out for the Central American conflict. He said the efforts of the peace group have stagnated. He said further that Costa Rica-Nicaragua relations are rather cool, and more so now because Costa Rica is in the middle of an electoral campaign. About this, Monge said:

[Begin recording] [Monge] I do not like the turn of events of the past few weeks.

There have been charges, attacks, and counterattacks of a moral nature against the vice president by the opposition and against opposition leaders by the National Liberation Party. I feel this is not beneficial or good for the people. The situation has been darkened and this will prevent us from having a fair electoral campaign.

[Unidentified reporter] Would you please give us an account of your government's activities?

[Monge] I am happy. This government received the country while the latter was in a very difficult condition. We have said the country was on the brink of total economic collapse. All Costa Rican sectors were terribly pessimistic. Nevertheless, we managed to stabilize the economy, lower the inflation rate from more than 80 percent down to about 10 or 9 percent where it now stands, and get the exchange market under control since currency devaluation had spiralled rapidly downward. We are in the process of passing from stabilization to reactivation. Above all, what pleases all of us Costa Ricans of all parties the most is the fact that this has been possible without altering the country's social and political peace, thus keeping intact the system of life in freedom that Costa Ricans enjoy.

[Reporter] Your opinion of Panama-Costa Rica relations at present?

[Monge] The relations between Panama and Costa Rica are very good, have always been very good. This is due mainly, not only to the fraternal love between the two peoples, but to the fact that the Panamanian and Costa Rican Governments have been respectful of and have not meddled in the domestic affairs of each other. [end recording]

EL SALVADOR

DUARTE: PEACE DEPENDS ON NICARAGUAN NEUTRALITY

PA180326 San Salvador Television Educativa in Spanish 1230 GMT 17 Jan 86

[Excerpts] Laying the first stone of the new bridge over the Lempa River, President Jose Napoleon Duarte was accosted by local and international journalists. This is the dialogue.

[Begin recording] [Reporter] Would you please tell us about your chance meeting with Nicaraguan President Daniel Ortega during the inauguration of Vinicio Cerezo, the new Guatemalan president?

[Duarte] It was an interesting and unusual encounter. To tell the truth, a vacant chair happened to be between he and I and we were both 50 cm from a thousand journalists who listened to everything we said. Everything was recorded, including part of what he said today and other things I could mention. The recording also includes what all the presidents discussed, including Betancur of Colombia, Delvalle of Panama, Azcona of Honduras, U.S. Vice President Bush, Daniel Ortega, and myself. A considerable number of us were there and discussed our problems.

For instance, Ortega held the church responsible for the Nicaraguan problems. His attack against Monsignor Obando y Bravo, the church, and Radio Catolica and Catholic news media was virulent. It was truly impressive to listen to Ortega expound his views, labeling Msgr Obando y Bravo a subversive. In all, it was a violent attack against the church.

In addition, he tried to justify all of his actions, such as the domestic repression unleashed by the Marxist Sandinist government in Nicaragua. Ortega explained away everything claiming that the U.S. Marines might invade Nicaragua. This is why I think he is sick and that he suffers from a Marines and invasion syndrome.

[Reporter] Engineer, you remained silent. [laughter]

[Reporter] Engineer, what would Contadora's statement be regarding peace (?proposals) for Central America?

[Duarte] I think we should not become confused. There were two statements: One is the Guatemala statement that embodies the thought and spirit of the Caraballeda, Venezuela meeting. In Nicaragua, the Contadora document and the three implementation documents were discussed and all the governments expressed their willingness for this process to continue. This has been approved and we signed it as the Guatemala statement with the aim of continuing to search for peace in harmony. This is what we approved.

[Reporter] Mr President, regarding the meeting in Esquipulas, what will be the general and specific subjects to be discussed?

[Duarte] Several topics have been considered for the meeting in Esquipulas. Of course, the foremost topic will be peace in Central America. I have explained that social and democratic achievements can be attained either through force or willingness and that, undoubtedly, Somoza's has been a policy of force. In Ecuador, we attended an inauguration of a democratic president. In Guatemala, we have attended the inauguration of Cerezo, for which the Guatemalan people and Army are proud. In Guatemala, we signed a document in which all of the presidents, including Ortega, acknowledged the leading role of democracy, understanding, and willingness in the search for peace in Guatemala. For this, the document congratulated the people and the Armed Forces. Ortega signed this document. This is very important [words indistinct] the question is a little lengthier. In addition to this, during the presidents' meeting, we will discuss all of the topics related to Central America, including Contadora. We will also discuss the possibility of a Central America parliament. The idea would be for free elections to be held in all of Central America in which all political parties and social forces can participate. This means that the Nicaraguan Government must decide whether it will permit truly free elections in Nicaragua as we have held in El Salvador and Guatemala. This will also be discussed during this meeting.

Naturally, we will deal with bilateral problems. I told Ortega: If you guarantee to Central America that you will not export the revolution and if you guarantee to El Salvador that Nicaragua will not become a sanctuary for the Salvadoran guerrillas, then that is your best guarantee against any fear of being invaded. This is what I told him during the meeting. As a result, these are the topics we will discuss. Undoubtedly, many things do separate us and we agree on many others. These are the things that we must seek. This is why dialogue is good and we must work for understanding among the peoples. That is why when Ortega asked me whether I believed in dialogue, I told him: I believe in dialogue, yet not a strategic dialogue but one to seek peace in Central America. [end recording]

DUARTE VIEWS RESULTS OF TRIP TO GUATEMALA

PA180300 San Salvador Television Educativa in Spanish 1200 GMT 17 Jan 86

[Excerpts] Upon his return to El Salvador, President Jose Napoleon Duarte said that the heads of state who attended the transfer of power in Guatemala signed a document supporting Contadora.

The constitutional president of the Republic and general Armed Forces commander was received at the military air terminal at Ilopango upon his return from Guatemala, where he headed the official Salvadoran delegation to the inauguration of new Guatemalan President Vinicio Cerezo Arevalo. President Duarte expressed pleasure over Cerezo's assumption of power.

Duarte stressed that there was a meeting of Central American presidents at which four [as heard] fundamental topics were broached.

[Begin Duarte recording] There were two important moments, one of which was very unusual, so to speak, a few minutes before the formal ceremony. It consisted of a meeting that took place 50 cm from the newsmen. In this encounter we engaged in a real exchange of views with the presidents who were there -- that is, President Betancur, President Delvalle of Panama, Ortega, myself, and Honduran President-elect Azona. A number of things -- ideas, thoughts -- were expressed there. Obviously, they will reach the press and will be of some significance.

In addition, we, the presidents, held a luncheon this morning at which we approved a document containing fundamental points. The first point is a tribute to the Guatemalan Government and people -- and of course to the Guatemalan Armed Forces -- for their huge effort and their enormous bravery in leading their country toward democracy. I said that a people can conquer freedom in two ways: using force or through determination. In Guatemala, the people and the Armed Forces have shown determination to achieve democracy and freedom. I feel that we have done the same in El Salvador. We have shown determination to achieve freedom and democracy. We have not used violent means and have not given any thought to a destructive revolution. We have thought of a revolution that can build. Therefore, this frame of mind led me to think of rendering tribute to the Guatemalan people and Armed Forces for the effort they made to exert their will in order to achieve freedom.

Another topic we broached and discussed was the meeting of Central American presidents. President Vinicio Cerezo has suggested Esquipulas, as the historical, emotional, and spiritual center of Central America, as the place for us to meet and seek paths to peace, possibly after the elections in Costa Rica and the assumption of power by the new Costa Rican president.

Of course, we also approved the declaration of Guatemala, which is a ratification of the work done by the foreign ministers in Caraballeda, Venezuela a few days ago regarding the Contadora problem and the support from European and South American countries for Contadora's efforts. We discussed these four issues and one more, which was considering the possibility of holding a meeting of Latin American presidents -- probably in Panama. This is an initiative of the Peruvian president. We think that that is a good idea and that the Central American presidents are willing to support it. I think this will be sufficient information for the Salvadoran people.

Regarding my description of the meeting as unusual and the dispute over concepts and ideologies we held with Daniel Ortega, I imagine we will discuss this at some point. [end recording]

D'AUBUISSON CRITICIZES DUARTE, ORTEGA TALKS

PA210325 San Salvador EL DIARIO DE HOY in Spanish 18 Jan 86 pp 5, 19

[Text] Duarte must explain to the people to what extent he committed the country by making concessions to Daniel Ortega during their very cordial meeting reported by international news agencies, Major Roberto D'Aubuisson said yesterday.

In order not to hurt his family's dignity, he should not have gotten so close to the man who coordinated his daughter's kidnapping, the ARENA [Nationalist Republican Alliance] leader said.

Out of consideration for the Salvadoran people, he should have sat at the very opposite end from the one who is responsible for our country's bleeding, D'Aubuisson stressed.

Just for the sake of the minimum political respect he should have for his party, the Christian Democratic Party (which claims not to be Marxist), he should not have gotten near the Marxist-Sandinist leader who is responsible for the war declared on us from abroad.

D'Aubuisson added that Duarte, as commander in chief of the Armed Forces, should not have even shaken hands with the man who has been helping the guerrillas who have been killing commanders, officers, noncommissioned officers, soldiers, guards, and policemen of the Army and Security Corps in attacks and ambushes.

He added: We must point out that Duarte has not realized that the photographs that have been published are very compromising and that therefore he owes many explanations to the public, because only 3 months ago, he said that his daughter's kidnapping was coordinated, handled, and planned in Marxist Nicaragua, whose government is headed by Ortega.

D'Aubuisson said Marxist Ortega arrived in Guatemala seeking publicity, and forced the Nicaraguan athletes who had participated in the Third Central American Games to decorate him with the medals they had won. In addition, he took advantage of the show [preceding word in English] given to him by Duarte on a silver platter by sitting beside him in view of the fact that because Duarte has created for himself an image as a moderate in Europe and the United States, the publication of Duarte's photographs with Ortega improve the latter's image.

D'Aubuisson added that Duarte forgot the collaboration he received from friendly governments, and the fact that he is president only because of them -- as he did not win the presidency with the votes of the Salvadorans, but because he had the support of his friends abroad and that those governments have always been opposed to Nicaragua's position.

I believe that the channels between communitarianism and Marxism are functioning again and that everything Duarte said about Nicaragua during his daughter's kidnapping was only a big show, D'Aubuisson said.

We know from Duarte himself and from the people that Nicaragua supplies weapons and ammunition to the Salvadoran mangy-dog guerrillas, he stressed.

Maj D'Aubuisson demanded an explanation from Duarte, and Duarte's assurance that he has not betrayed the Armed Forces, as it is inconceivable that he, as commander in chief, should appear in a photograph with the commander in chief of an enemy force, because at the time they were being photographed they were not discussing official matters to solve our problems.

In conclusion, D'Aubuisson said that if Duarte considers that what Ortega has done against El Salvador is democratic, he should explain it, because he is a Marxist-Leninist totalitarian, his victory in the Nicaraguan elections was fraudulent, and furthermore, he is the worst potential enemy of El Salvador and the rest of the Central American countries.

1 MAY COMMITTEE PROTESTS DUARTE ECONOMIC PLAN

PA201537 San Salvador Radio Cadena YSU in Spanish 1800 GMT 18 Jan 86

[By Joel Burgos]

[Text] Approximately 3,000 workers and students who are members of the 1 May Committee marched through the main streets of San Salvador this morning to demand that the Jose Napoleon Duarte administration respect the country's sovereignty and the dignity of the workers and peasants. They also protested the economic package, which calls among other things for an increase in the price of staples and fuel, and for more taxes.

The march, which left from Cuscatlan Square, ended at Libertad Square, where the leaders of the march held a rally and read a communique:

[Begin recording of unidentified speaker] Aware of its historical duty, the 1 May Committee is holding this rally on behalf of the majority of the Salvadoran people, who are present here to protest the repressive measures being implemented against our people. [applause]

We are here to denounce and protest these measures and also to demand respect and solutions to the problems affecting us, which are:

1. An outrageous approximate 200-percent increase in the price of staples, an increase which began last December, at which time the government made the demagogic announcement that it would increase the state and municipal workers' wages by only 100 colones.

2. An economic package with measures that are going to affect the majority of the people, measures which call for increasing the price of gasoline and other fuels and in adding more taxes to the ones we already have.

3. The refusal to pass a general law on cooperatives, which would help rural workers.

4. The refusal to approve a realistic budget for the National University.

5. Lack of respect for the nation's sovereignty. We want the mortgaging of El Salvador to the U.S. Government and the following of the Reagan administration's instruction and policies to stop. [applause]

We also demand:

6. An end to the violations of human rights.

7. An end to the drafting of our youth into the Army against their will.

8. That the social, economic, labor, and political demands of the workers and the people in general be met.

9. That the bombing of the civilian population be stopped and that displaced persons be allowed to return to their homes with their safety fully guaranteed by the Armed Forces. [end recording]

The 1 May Committee leaders also asked that rural workers get paid 15 colones for a regular day's work, plus 9 colones for food, and that factory, business, and other service workers by paid 30 colones daily.

Here is what a 1 May Committee leader told me:

[Begin recording] [Unidentified speaker] Our peace march has three main objectives: One, to demand that the government show respect for the country's sovereignty; two, to show respect for the dignity of the workers and peasants; and three, to reject the economic package the government is trying to implement.

[Reporter] How many labor organizations are affiliated with the 1 May Committee?

[Speaker] City and rural workers, university students, state and municipal workers, cooperatives, and other organizations comprise the 1 May Committee.

[Reporter] Are you going to deliver this document to Duarte?

[Speaker] We feel that it is enough if we read it to the people. Duarte has never sent us a note specifically addressed to the workers. Therefore, we are using his own method of directly telling the people what they should know.

[Reporter] Have you met with Duarte?

[Speaker] No, we have not. There are some labor representatives who for some reason felt they were committed to attend a meeting which turned out to be, as we expected, a gimmick to justify Duarte's political position in the eyes of international public opinion.

[Reporter] What other measures are you planning to take?

[Speaker] We still do not know. However, as we have said before, we are prepared to go to the streets in all 14 departments of the country to make the workers' complaints heard. [end recording]

This was a report on what took place today in San Salvador when 3,000 workers and students of the 1 May Committee carried out a march to protest the economic package the Salvadoran Government is trying to implement.

ARMY STRATEGY FOR 'OPERATION PHOENIX' OUTLINED

PA181406 San Salvador LA PRENSA GRAFICA in Spanish 17 Jan 86 pp 2, 56

[Text] Coprefa [Armed Forces Press Committee] has reported the death of 23 terrorists, the arrest of another 23, and the confiscation of 13 rifles and ammunition as the results of "Operation Phoenix."

Reporting this, a Coprefa spokesman said these are the results of the first 5 days of this military operation being carried out by the 1st Infantry Brigade jointly with other Army units and Air Forces planes in a government attempt to rid Guazapa Hill and its surroundings of guerrilla redoubts. This operation covers an estimated area of 1,500 square kilometers that extend to Aguilares, Guazapa, San Jose Guayabal, Suchitoto, Suchitlan lake, and other hamlets and villages located at the foot of this mountainous region.

Coprefa also said the guerrillas sustained three casualties. These extremeists were shot.

In addition, the Armed Forces deplored the death of 2 soldiers and the fact that the number of troops was reduced by 10 more soldiers, who were shot during the heavy fighting that has occurred in the region, over which the army seeks complete control. The army intends to leave permanent military bases throughout Guazapa Hill to prevent clandestine groups of the FMLN from gathering there again.

The 23 prisoners are being questioned about the various aspects of terrorism, and the information they have supplied is being thoroughly analyzed by Military Intelligence to verify first and then to determine its importance within the plans of extortion, blackmail, and crimes that the FMLN is committing constantly to the detriment of civilians.

Just as General Adolfo Onecifero Blandon, commander of the Armed Forces General Staff, explained from the beginning, the Coprefa spokesman said that it cannot be determined yet how long "Operation Phoenix" will last. Between 4,000 and 5,000 troops are participating in this operation. Their mission is to comb Guazapa Hill inch by inch to discover and destroy training, living, and Marxist indoctrination camps that have been operating there since the 1970's.

The spokesman emphasized that despite the dimension of "Operation Phoenix," it has permitted other Armed Forces detachments and brigades to continue their routine counterinsurgency operations throughout the country. This is a guarantee to the citizens, who can conduct their activities normally.

Referring to the Guazapa Hill operation again, he noted that it was planned very carefully, so its results are expected to be in line with initial projections, which imply a large-scale effort by the Armed Forces carried out not only to protect the region, but to spread trust among its residents so they can return to their property and resume their productive tasks under the Army's protection.

FMLN SAYS TRANSPORTATION STOPPAGE SUCCESSFUL

PA210058 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 19 Jan 86

[Text] The national transportation stoppage decreed by the FMLN has been successfully enforced for the 3d day; it is one of the most effective stoppages ever carried out during our liberation war. The country's eastern and northern zones are 95 percent paralyzed, according to the reports from the news media. In addition, Economy Minister Edmundo Viera [as heard] referred to the lack of fuel in the country for the past few days, saying that the government will supply fuel to the eastern zone and other zones. Due to the national transportation stoppage, this action has not been carried out.

In addition, the increased sabotage actions against electric energy have paralyzed a great part of the oligarchy's economic structure. The sabotage on the transportation sector has also paralyzed international trade. A report coming from the border post of El Amatillo, between Honduras and El Salvador, indicates that international trade activities have been interrupted. Meanwhile, the traffic of containers from Guatemala and Honduras which pass through Santa Ana has been stopped by the transportation stoppage. Thus, the international transportation activities have also been paralyzed in that region.

Sugar cane and coffee production has also been affected by the transportation stoppage. Sugar cane and coffee mills in the country have begun to halt their activities given the lack of raw material for processing. The sugar cane and coffee carriers have followed the instructions issued by the FMLN general command.

The maritime ports have also been paralyzed. The success of our national transportation stoppage has also been felt in the country's maritime ports; the shipment of export products to other countries has stopped because the containers with these export products have not reached the ports. The transportation strike has affected Santa Ana, Ahuachapan, and Sonsonate Departments for the first time. The guerrilla units' presence has been felt due to our control of the highways in those western departments. These actions, plus the successful takeover of Juayua, Sonsonate Department; the various ambushes carried out against the dictatorship's Army along the western highways; and the sabotage actions carried out by the urban guerrillas in the city of Santa Ana confirm the consolidation of the FMLN's strategic guidelines of extending the people's war to all our national territory!

WOMEN'S FRONT OPPOSED TO KENNEDY, CARTER VISITS

PA180102 San Salvador EL DIARIO DE HOY in Spanish 16 Jan 86 pp 2, 85

[Text] Representatives of the Salvadoran Women's Front [Frente Femenino Salvadoreno] said yesterday that Salvadoran women repudiate the visits to our country of former U.S. President Jimmy Carter and Senator Edward Kennedy that have been announced for this weekend. Kennedy, who is ironically known as the Chappaquiddick hero for his cowardly attitude in the 1969 tragedy that resulted in the death of his secretary Mary Jo Kopechne, is currently touring Latin America. Apparently, the objective of his tour is to evaluate the achievements of the Alliance for Progress, a program implemented during the administration of his brother John Fitzgerald Kennedy. There were a number of demonstrations against Kennedy during his recent visit to Chile. The demonstrations included both men and women who stoned the vehicle in which Kennedy was traveling, making it necessary to send a helicopter to his rescue. Jimmy Carter, who is largely responsible for the catastrophic reforms and the awkward political manipulation of human rights in El Salvador, will reportedly be the second visitor. According to well-infomed sources in Miami, he will travel to our country on a date that has not been decided.

Kennedy is expected to arrive in our country this weekend as part of his Central American tour, which will also include Guatemala and Nicaragua. In commenting on Kennedy's possible visit to El Salvador, representatives of the Women's Front said anything can be expected from this government, even the visit from these persons who have caused so much harm to our country and to the entire American continent. Our sources added: Examples of this harm were Cuba's adherence to international communism during John Kennedy's administration, and the Carter administration's submission to Nicaragua.

We hope that democratic sectors will protest the presence of these persons in our country because it would be another insult to our battered dignity at this time when superior orders have imposed an economic package on us.

GUATEMALA

CEREZO OUTLINES PRESIDENTIAL OBJECTIVES, PLANS

PM171058 Barcelona LA VANGUARDIA in Spanish 14 Jan 86 p 10

[Interview with President Vinicio Cerezo by Joaquim Ibarz in Guatemala; date not given]

[Excerpts] Guatemala -- "In the event of a military coup I will imitate Salvador Allende rather than the overthrown presidents who go into exile.

"If the Army attempts an overthrow it can be certain that I will shoot to defend constitutional legality and the National Palace will become a new Moneda Palace from which we will fight the putschists," LA VANGUARDIA was told by Christian Democrat Vinicio Cerezo, who today becomes Guatemalan president after over 30 years of dictatorships or military regimes.

During the interview Cerezo stressed that his basic priority will be to establish right away and to consolidate a democratic regime in which the Constitution will be observed.

"We will work on the basis of democracy. We must advance toward the establishment of a system of security and legality. The greatest challenge facing the new government is unquestionably a consolidation of this system of legality which will guarantee us two things: first, the strengthening of the Supreme Court of Justice, capable of ensuring observance of the law; and, second, reorganization of the state security bodies to make them subject to political, not only military, control."

He added that his aim is to ensure that Guatemala has the strongest democracy, not the strongest Army. "For the present," he said with measured confidence, "the military leaders accept that their hour is past and they must return to their barracks, leaving government in the hands of civilians elected by the people in free elections."

"If there is a coup," he said, "the military will have to face up to a civil war, with the danger of losing. Guatemalans are unwilling to tolerate another dictatorship. The Army must observe the Constitution, and if they do not they will have to silence the people with their guns and face the world's repudiation."

Despite these unconcealed fears, the new president voiced his confidence that the Army will accept the new civilian government:

"It is difficult to believe that all the power that the military monopolized for decades will be automatically transferred as a result of a vote. My hope is that the Guatemalan process will be consolidated. There are factors which enable me to remain optimistic. It was very important that, for the first time in Guatemala's political history, a candidate's victory was accepted immediately. Furthermore, the conversations I have had with top Army officers indicate that the military will accept the orders of a civilian president. These signs permit me to believe that the transfer of power from the military to civilians will not be traumatic."

He stated very categorically that the ever present fear of a coup will not influence his activity as president: "We prefer to run the risk of a coup d'etat to permitting the Armed Forces to prevent us from fully exercising our political powers. We will honor our historic pledge to the full although, as I am well aware, it may oblige me to leave the National Palace feet first."

He also stressed that the Army must accept its new role in Guatemalan society -- guaranteeing the security of the democratic institutions. Another no less important challenge is that of professionalizing the security bodies, which are responsible for thousands of kidnappings and murders: He has already announced that one of his first measures will be to dissolve the most repressive police organization.

When I pointed out to him that some provincial military leaders have said that they will not submit to the political decisions of a civilian president, Cerezo said he will work in accordance with constitutional requirements, which state that the president is commander-in-chief of the Army and the political guide of the Armed Forces and the population.

"We will create the conditions for it all to be universally accepted. I will not seek confrontation but neither will I be a soft president. No one must obstruct or undermine the authority of the president in order to prevent him from fully exercising his political power. History teaches us a great deal. Back in 1966 we had the experience of President Cesar Mendez Montenegro -- now Guatemala's ambassador to Mexico -- who, in good faith, I believe, came to an agreement with the military to share power with the Army. The result was a breakdown of democracy itself, because the military leaders resumed their old practices of a de facto government. We cannot accept that."

With regard to international matters, Cerezo said Guatemala will pursue an "unconstrained policy," without submitting to Washington's dictates. "We want to be friends and companions of the U.S. Government but not tools of its policy in Central America."

He intends to restore diplomatic relations with Cuba and other socialist countries, but not in a hurried manner. "We will pursue a foreign policy without ideological prejudices. Therefore I do not rule out the restoration of relations with Cuba. The Reagan administration will not define our course, although of course we will seek to strengthen relations of all kinds with the United States. When I was in Washington I encountered understanding, and they accepted that for the time being we did not need military aid. There was mutual respect. This stance did not prompt any negative responses or pressures from the Guatemalan Army."

He admitted that it will be necessary to negotiate with Belize an honorable agreement that guarantees Guatemala access to the sea but recognizes the former British colony as an independent community. "I know that it will be difficult for the extremist nationalist sectors to accept this, but they must understand that to rule out the chances of an accord with Belize also means ruling out relations with the Caribbean and other parts of the world. We will resolve this problem peacefully and politically. This attitude of dialogue will be maintained toward the rest of Central America. We will not seek confrontation with Nicaragua or support any kind of intervention. A war would not resolve any problems, would destroy the countries of the area, and would make us dependent on both East and West."

Vinicio Cerezo hopes to pay an official visit to Spain in the coming months, having had to cancel his scheduled visit as president-elect. "From what their leaders have told me, the Spanish people have adopted a stance of great solidarity and hope with regard to Guatemala's democratizing process."

Asked whether the Spanish people will have forgotten the ferocious attack on Spain's Embassy by the Guatemalan Armed Forces, which claimed dozens of casualties on 31 January 1980, Cerezo said such a lamentable and deplorable incident should not be forgotten but remembered in order to avoid committing such errors in the future. "Our desire is to find correct and rapid ways of resolving whatever problems may remain from the past and to improve relations between Spain and Guatemala. This attitude will ensure that the Spanish people will feel pleased and satisfied when I visit their country."

Under recent military governments Cerezo was the only Guatemalan politician to state publicly that Spain's terms for restoring diplomatic relations between the two countries should be accepted. "I believe that what happened at the embassy will bring our people closer together because the Guatemalans were the first to deplore and express their horror at that event, which brought so much shame on us." Guatemala's new president also stressed that Spain's democratization process will be a constant reference point for his country. "In Spain it has been shown that a democratic process led by realistic and therefore prudent politicians, who are nevertheless steadfast in their determination to consolidate democracy, can succeed.

"In the future, constant and permanent communication between the Spanish Government and Guatemala's new democratic government will permit an exchange of experiences that will help us to not commit errors that can be avoided and to make the most of positive experiences so the civilian government can be consolidated." Cerezo said that the fact that Spain is governed by a Socialist prime minister and that a Christian Democrat has come to power in Guatemala will not constitute an obstacle to this continuous cooperation. "We respect parties' ideological stances, and our only concern is that they be democratic. If they are democratic and if, moreover, they enjoy the people's support, there is no better reason for maintaining good relations."

Last, he said that when he visits Spain he will also ask that Guatemala be granted solidarity in the technological and economic fields. "Spain's economic experience is very valuable. Not only have there been contacts, but some Spanish investors have shown interest in investing in Guatemala. We will open our doors and facilitate these Spanish investments."

CEREZO ASKS PEOPLE FOR UNDERSTANDING, PATIENCE

PA181442 Guatemala City Cadena de Emisoras Unidas in Spanish 1230 GMT 18 Jan 86

[Text] President Vinicio Cerezo, the friendly president -- words he used to describe himself last night during a radio and television network program -- said he does not have a magic wand that he can simply wave to immediately resolve all of the country's problems. He asked the people for their understanding and support in an attempt to prevent disorders and anarchy.

Specifically speaking of the problem of land invasion, Cerezo Arevalo said he is very much aware of the problems many Guatemalans are facing. However, he asked them to be patient so the problems can be handled properly and effectively. During last night's message broadcast in radio and television, President Cerezo gave himself 126 days to resolve the housing problems faced by hundreds of people who, in a desperate act, decided to illegally occupy empty lots in several areas of the city. President Cerezo said he has the best intentions to work and resolve the most urgent problems; however, he asked the residents of Guatemala City, and the country in general, for calm and understanding.

NEW ARMY CHIEF OF GENERAL STAFF INSTALLED

PA200030 Guatemala City EL GRAFICO in Spanish 17 Jan 86 p 2

[Excerpt] Yesterday there were three changes in the Guatemalan Army, starting with the installation of General Hector Alejandro Gramajo Morales as chief of the Army General Staff to replace General Rodolfo Lobos Zamora. Defense Minister General Jaime Hernandez Mendez installed Gen Gramajo during a special ceremony. The second change involved Colonel Eliu Cabrera Padilla, who was installed as deputy defense minister replacing Colonel Juan Francisco Aguilar. The third change involved the installation of Captain Juan Fernando Cifuentes as Army chief of press and information, replacing Colonel Marco Antonio Castellanos who will be chief of a section within the Ministry of Defense.

NEW FOREIGN MINISTER ON BELIZE, REFUGEE PROBLEM

PA180405 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 16 Jan 86

[Text] Mario Quinonez Amezquita was sworn in today as foreign minister to replace Fernando Andrade Diaz-Duran.

Until 1 year ago, Quinonez Amezquia served as Guatemalan ambassador to the United Nations in New York. During the past several months he has served as deputy rector of the Rafael Andivar Catholic University. Foreign Minister Quinonez Amezquita discussed the Belize problem as follows:

[Begin recording] This will take some time. We will begin to [words indistinct] we will work on. I cannot speak in terms of how or when at this time, although this will be a problem we will address and move forward on. I want to point out that the president of the Republic is the one who defines and establishes the country's foreign policy. I, together with the ambassadors, will simply execute that foreign policy. I will offer counsel to the president and express my opinions.

For example, I advocate following the same policy Guatemala upheld for some time -- namely, that we have a problem with the UK and that therefore we must seek a solution to that problem. We cannot sit at the negotiation table for direct talks with Belize because we have not recognized the Belizean Government. They can attend eventual meetings with the British Government as observers, but we will not sit down for direct, official negotiations with the Belizean Government because we have not recognized it. [end recording]

Quinonez Amezquita said the new administration is concerned about the problem of Guatemalan refugees in Mexico.

[Begin recording] [Quinonez] That is one of the problems the Foreign Relations Ministry must face and attempt to resolve. We will find solutions gradually. Problems cannot be resolved overnight. We want those Guatemalans who are abroad to return to their country. No one can deny Guatemalans the right to live in their country.

[Unidentified reporter] What changes will you make in your ministry, sir?

[Quinonez] We will see what the needs are. That will determine the changes we will make to benefit the government. [end recording]

HONDURAS

SANDINIST TROOPS INSIDE HONDURAS, KILL PEASANT

PA201436 Hamburg DPA in Spanish 1418 GMT 20 Jan 86

[Text] Tegucigalpa, 20 Jan (DPA) -- According to media sources in Tegucigalpa, General Walter Lopez, Commander in Chief of the Honduran Armed Forces, has reported the presence of Sandinist troops in Honduras. According to the sources, General Lopez made this statement over the weekend in San Pedro Sula, 250 kilometers north of Tegucigalpa where, together with civilian authorities, he attended the inauguration of a housing complex for journalists.

"We have informed the Foreign Secretariat about the presence of troops of the Sandinist People's Army 2 km inside Honduran territory," General Lopez said. However, he did not mention the specific location of the Nicaraguan soldiers. General Lopez said the Armed Forces are not capable of controlling the movement of people at the Honduran-Nicaraguan border and that therefore there is a constant flow of Nicaraguan citizens who emigrate from their country to Honduras.

Meanwhile, a correspondent for Tegucigalpa's Radio America in the city of Danli reported today that last Thursday, near the community of Trojes, in El Paraiso Department, Sandinists killed a Honduran peasant woman after seriously wounding one of her sons.

The peasant woman was identified as Argentina Blandon de Mendoza, 56, and her son as Fidel Ernesto Mendoza, 36, who is in critical condition at the public hospital in Danli.

Radio America also reported today that yesterday, at an unspecified point at the Honduran-Nicaraguan border, four Honduran soldiers and a Honduran woman died when they stepped on a mine that had been brought from Nicaragua to Honduran territory. Military sources in Tegucigalpa told Radio America that today the Armed Forces Public Relations Office will give a detailed report on the incidents.

AZCONA ON U.S. TRIP, ALLEGED RIFT IN PARTY

PA171944 Tegucigalpa Voz de Honduras Network in Spanish 1420 GMT 14 Jan 86

[Interview with President-elect Jose Azcona by unidentified reporters before departing for Guatemala on 14 January; place not given -- recorded]

[Excerpts] [Question] What do you plan to (?do in Washington)?

[Azcona] In Washington we will meet with various sectors, including members of the Senate, the Congress, Vice President Bush, Secretary of State Shultz, the chief of the National Security Council -- in sum, with many people to get the feeling on the status of current relations between Honduras and the United States. We will listen to their views in order to bring to the presidency a clear concept of our relations with the United States.

[Question] Will you return today from Guatemala?

[Azcona] No, tomorrow.

[Question] Will you head for Washington on Thursday?

[Azcona] We will leave for Washington on Thursday.

[Question] As leader of the Liberal Party at this time and winner of the January [as heard] election, what is your opinion on claims that ALIPO [Peoples Liberal Alliance] is exerting pressure on your supporters and that this has brought about a crisis within the party?

[Azcona] This is not true at all. Everything is all right. There is no problem; at least, I have not noticed any problem. I have not been pressured by our original group, ALIPO, or any other sector because we do not like to be pressured. In honor to the truth, we have not been pressured, everything has been calm.

AZCONA VISITS U.S., MEETS WITH OFFICIALS

PA181621 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 17 Jan 86

[Text] Honduran President-elect Jose Azcona del Hoyo met with Elliott Abrams, assistant secretary of state for Inter-American affairs, yesterday.

Abrams was waiting for Azcona del Hoyo at the Madison Hotel, where the latter is staying. In addition, he will meet with White House officials today.

Avoids Discussion of Contras

PA191329 Madrid EFE in Spanish 2150 GMT 18 Jan 86

[By Alberto Garcia Marrder]

[Text] Washington, 18 Jan (EFE) -- Honduran President-elect Jose Azcona today concluded a brief visit to the United States without clarifying whether his government will permit the presence of Nicaraguan "contras" on Honduran territory. At a news conference that lasted 1 and 1/2 hours, Azcona avoided any direct statement on the issue despite the constant questions posed by the reporters for a definition of his intentions.

The presence of "contras" and the use of Honduran terriotry as a base from which to launch attacks against Nicaragua is not officially recognized by the current Tegucigalpa government, which insists that they are fighting "inside Nicaragua."

Azcona, who will assume his post on 27 January, said, however, that the "contra" problem is one of many in the Central American crisis that should be settled within an overall agreement based on the principles of the Contadora document. Among the problems that should be settled within this context, the Honduran leader mentioned the arms race unleashed by Nicaragua in the Central American region, which forces Honduras to spend large sums of money which could be used for other things, and the arms trafficking to the Salvadoran guerrillas.

"It is necessary to find an overall solution to the Central American conflict, rather than resolving just one aspect, such as that of the 'contras'", Azcona added, reiterating that his government is already prepared to sign the principles of the Contadora document.

He affirmed that the presence of the "contras" is one of the irregular actions existing in Central America which must be settled within the context of the overall accord on the problems of the region.

During the 2 days he remained in Washington, Azcona met with U.S. Vice President George Bush, and with the secretaries of state, George Shultz, and defense, Caspar Weinberger.

Azcona denied having been pressured by the Reagan administration to permit the presence of Nicaraguan "contras" in exchange for economic aid. "This issue was never brought up in our talks. On the contrary, we expressed our viewpoints, without linking them to the economic aspect," the president-elect added.

Concerning Nicaragua, Azcona pointed out that he has the impression that the Sandinist commanders are Marxist-Leninists, "but I also believe they are not radicalized and Nicaragua is still redeemable. Therefore, isolation by the OAS, as was done with Cuba, is not necessary."

Azcona revealed that he had told Nicaraguan President Daniel Ortega last Tuesday that he was not concerned over the economic changes the Sandinist regime has made in Nicaragua, but over the lack of freedom, the abuses against the church, and the press censorship, among other violations of the citizens' rights. Azcona and Ortega met in Gutaemala during the recent inauguration of the new Guatemalan President Vinicio Cerezo.

"I have already told Commander Ortega that Nicaragua must fulfill its 1979 promise to the OAS about democratic pluralism -- a promise being violated in his country," Azcona added. The new Honduran president reported that he invited Ortega to attend his inauguration in Tegucigalpa and that Ortega had told him he "would certainly attend." "Personally I have nothing against Commander Ortega. On the contrary, I think he is a very interesting person," Azcona explained.

On other topics discussed at the news conference, Azcona said:

Devaluation of the lempira: "We have expressed our total opposition to that measure and they have listened to us."

IMF: "The meeting was discussed, because we do not share their opinion on the devaluation of our currency and we disagree with the criterion of the fund on the origin of the economic problems of the small countries."

Debt problem: "These are due to unfair terms of commercial exchange between the industrialized countries and those in the process of development."

Military maneuvers in Honduras: "Secretary Weinberger accepted our proposal for the U.S. soldiers to engage in engineering work, especially the dredging of the Aqua River."

Violations of human rights: "Unfortunately they have existed in Honduras, although they have been reduced in the past few years. My government will not permit any violation of human rights, and neither will it permit terrorist and subversive actions, which will be dealt with by the full weight of the law."

SUAZO ON TRANSFER OF POWER, TIES WITH U.S.

PA171405 Tegucigalpa Televisora Hondurena in Spanish 0130 GMT 16 Jan 86

["Exclusive" interview with President Roberto Suazo Cordova by Adolfo Hernandez after ceremony commemorating the 104th anniversary of the Police Corps on 15 January; place not given -- recorded; broadcast in progress]

[Excerpts] [Suazo] ... ask me if I will attend the inauguration, as it is my duty. When I assumed the presidency, I promised to comply and to ensure compliance with the Constitution and laws; therefore, with all respect, I beg you not to ask me such a question.

[Hernandez] Regarding the transfer of government, you are completing a very important historical cycle, as you will be handing over a civilian government to another civilian government, which will also be of your same party, the Liberal Party of Honduras (PLH). What does this mean for you?

[Suazo] As I have said before, the greatest satisfaction for President Roberto Suazo Cordova, who is an active member of the PLH, will be to deliver the presidential sash to another Liberal president. I said so during the political campaign. However, it would have been equally pleasant to deliver the presidency to anyone from the National Party, PINU [Innovation and Unity Party], or the Christian Democratic Party. That is my duty and my obligation: to honor the oath I made at the stadium on 27 January 1982, when I promised to comply with and ensure compliance with the Constitution and laws.

That is why I said -- and the recordings are there -- that I will not stay an extra day or a day less. As I said before, I have not had to leave not even a day before, thanks to the people and the Armed Forces' support, which support they have given me at all times.

[Hernandez] How do you feel 12 days before handing over the government?

[Suazo] I am a very happy man because I am going to comply with my duty. Furthermore, I think that 4 years is enough for a president, as one becomes aware of the great problems while in the presidency. As I have said, I assumed the presidency at a time of great economic crisis, and at a time when the Central American crisis was at its peak. However, I am satisfied because I will hand over a country in peace and liberty, and an economy which is more or less stable, as well as an Army that is becoming more and more professional, and which is at the people's service.

I hope that all the Honduran people will support our Commander in Chief General Walter Lopez Reyes and the other officers, and troops of our Armed Forces. I urge the media to continue supporting our Armed Forces and the next constitutional government to be inaugurated on 27 January 1986.

[Hernandez] What would be your recommendations to your successor regarding Honduran-U.S. relations?

[Suazo] Well, I think I must not impose norms. Each president should know what is best to do. We have maintained and continue to maintain cordial relations with the U.S. Government and people, whom we know have given us the most help. However, it would not be right for me to impose norms on the president-elect.

[Hernandez] How would you describe your relations with the United States? During the past few days someone said they have deteriorated. There was an exchange of notes, which caused some confusion in national and international public opinion. Are our relations with the U.S. Government really good?

[Suazo] Of course our relations with the U.S. Government are good. What happened was that the economic cabinet published several documents that the U.S. Embassy tried to disregard afterward. We were clear, and reiterated that we had spoken the truth. As the president of the Central Bank said, there have been pressures on us to devalue our currency since 1982.

However, as you know, this sum -- the $60 million -- should have been disbursed in October. Why were these funds withheld? That was their decision. So as we were only a few days -- approximately 1 month -- from the date of the transfer of government on 27 January, we decided that the new government would benefit from the $60 million, as well as from other commitments with the Venezuelan Government. We considered that it was best for the new government to sign for and receive these funds.

[Hernandez] How did you interpret this attitude of the U.S. Government?

[Suazo] I have not interpreted this attitude negatively. Now, as a journalist, what do you think about the attitude assumed by the government I preside over and my economic cabinet? We could not accept those conditions because to do so would have practically created an official parallel market, which would have placed us on the verge of a devaluation. To do so would have been an act of bad faith against Azcona; however, for me, Honduran interests come before the [word indistinct] interests.

NICARAGUA

COMMUNIQUE ISSUED ON ORTEGA'S GUATEMALA TRIP

PA171529 Managua Radio Sandino in Spanish 1200 GMT 17 Jan 86

[Communique issued by the Ministry of Information and Press of the Presidency of the Republic of Nicaragua in Managua on 16 January -- read by announcer]

[Text] The Ministry of Information and Press of the Presidency of the Republic of Nicaragua states that:

1. On the occasion of the inauguration of Guatemalan President Vinicio Cerezo Arevalo, President Daniel Ortega Saavedra exchanged views with the presidents of Guatemala, Colombia, Panama, and El Salvador, as well as the Honduran president-elect and other personalities present in Guatemala City. In his different meetings with the Central American leaders, President Ortega discussed bilateral matters, the international situation, and the present status of the Central American negotiating process. At the meeting of presidents of Guatemala, Panama, El Salvador, Nicaragua, and the Honduran president-elect, they signed a declaration in which they agreed to hold a meeting of Central American presidents which is to be held at a date to be established by common agreement.

2. President Ortega heard the foreign ministers of the Contadora Group and the Support Group explain the statements contained in the Caraballeda message, signed by the respective foreign ministers. In the meeting held with the foreign ministers of the Contadora Group and the support group, President Ortega denounced the aggression that continues against Nicaragua and the fact that the U.S. Government is still bent on disregarding the Latin American peace efforts.

3. President Ortega ratified the position of the Nicaraguan Government contained in the 11 November 1985 declaration, which stated that no solution will be effective in Central America until U.S. leaders completely stop the direct, indirect, and covert aggression, or the aggression through other alternate ways, against the Nicaraguan people.

4. The president of the Republic said that the Caraballeda message is a new effort to create the right climate to eliminate the policies of force and permit a resumption of the negotiating process. He said that this message was strengthened by the Guatemalan declaration signed by the Central American foreign ministers thus showing, once more, the unanimous willingness of Latin America to find a peaceful solution for the Central American crisis and its total rejection of a policy of force.

5. Announcing his total support for the Caraballeda message, the Nicaraguan president said that he hoped that the simultaneous actions suggested in the document -- particularly the Nicaraguan-U.S. talks -- be carried out with the support of the international community in an effort to ease tensions and normalize bilateral relations. All of this will establish indispensable conditions to resume negotiations.

6. The Nicaraguan president reaffirmed the already known Nicaraguan position that as long as U.S. aggression continued, Nicaragua will exercise its right to find the necessary means to defend itself from the aggression.

7. Praising this new hopeful effort of the Contadora Group and the Support Group, which was endorsed by Latin America, Ortega said that he trusts that, with the support of the international community, the aggression against Nicaragua will end and that the peace wanted by the Central American peoples will be achieved.

Managua, 16 January 1986

25 Years Later, All Arms Against Aggression

Ministry of Information and Press of the Presidency of the Republic of Nicaragua

ARDE CLAIMS ATTACK ON SANDINIST HELICOPTERS

PA171847 Panama City ACAN in Spanish 1809 GMT 17 Jan 86

[Text] San Jose, 17 Jan (ACAN-EFE) -- Rebel forces headed by Eden Pastora today claimed responsibility for an attack on two Soviet-made Sandinist helicopters in southern Nicaragua. Jose Davila, spokesman for the Democratic Revolutionary Alliance (ARDE), told ACAN-EFE that his organization carried out the attack, but he did not specify the place, the commander who led the operation, or the kind of weapon used.

According to Managua, two "Mi-8" helicopters were damaged in the attack that took place at noon yesterday. According to the Sandinist government, the helicopters were attacked during a patrol mission in response to fire from a place known as Tigra, Sarapiqui, near the Costa Rican border, where, according to Managua, armed groups are concentrating again.

The helicopters were damaged, not downed. They landed afterward. A Sandinist lieutenant and sub-lieutenant, who were aboard one of the helicopters, were injured, according to the official report.

Protest Made to Costa Rica

PA181627 Managua Radio Sandino in Spanish 1200 GMT 18 Jan 86

[Text] The Nicaraguan Government yesterday made an urgent call to Costa Rica, asking it to impose a strict watch over its territory to prevent a repeat of regrettable situations such as those of 16 January. In the protest note signed by Foreign Minister Miguel D'Escoto Brockman, Nicaragua states that on 17 January at 1130, two Sandinist Air Force MI-8 helicopters flying over Sarapiqui and Boca de San Carlos in Nicaraguan territory were attacked with rifle fire from mercenary forces in Costa Rican territory.

As a result of this attack, both helicopters were damaged, Co-pilot Norman Pallade was seriously wounded, and Lieutenant Enrique Lopez Amador, the pilot, was slightly wounded in the head.

The Nicaraguan Government hereby states its most formal and strong protest in view of this unjustified attack and points out that this type of criminal activity is being carried out at a moment when the peace efforts of the Contadora and Support Groups have been given new life. The attacks are also in contradiction with the peace efforts made in Guatemala City during the presidential inauguration of President Vinicio Cerezo Arevalo, an occasion that was used by the foreign ministers of the area to sign the so-called declaration of Guatemala in support of the Caraballeda declaration.

REPORTS OF ARMY RAIDS INTO HONDURAS REFUTED

PA210102 Managua Radio Sandino in Spanish 0000 GMT 21 Jan 86

[Text] The Foreign Affairs Ministry has categorically denied that members of the Sandinist People's Army[EPS] entered Honduran territory and killed three Honduran Armed Forces soldiers. Companera (Angela Zavala) of the Foreign Ministry's Public Relations Office reported that news dispatches have been received from various news agencies indicating that members of the EPS carried out kidnappings and raids into Honduras, more specifically in the western department of El Paraiso, bordering with Nicaragua. Once again, Nicaragua reiterates that it is not the habit of our soldiers to enter neighboring territory, and therefore categorically denies such reports, which only tend to create conflicts between the two governments.

STATE SECURITY CHIEF CERNA REMOVED FROM OFFICE

PA171939 San Jose Radio Impacto in Spanish 1830 GMT 17 Jan 86

[Text] Lenin Cerna, minister chief of the Sandinist State Security, has been removed from office and will be sent to Bulgaria as the Sandinist regime's ambassador. The Sandinist regime decided to reward Cerna, guilty of thousands of murders and tortures in the regime's political jails, with a diplomatic appointment. All those who have opposed the Sandinist regime have, in one way or another, been victims of the State Security headed by Cerna and many have suffered the refined methods that he uses to get information. Deputy Interior Minister Commander Omar Cabezas will replace Lenin Cerna as chief of the Nicaraguan State Security. Commander Cabezas is currently in New York where he is participating in a writers meeting. Circles close to the FSLN say that Cerna's removal is due to the desire to somewhat clean-up, quote, unquote, the State Security's repressive image.

MININT SUSPENDS 'CLANDESTINE' PUBLICATION

PA180343 Managua Domestic Service in Spanish 0156 GMT 18 Jan 86

[Communique issued by the Interior Ministry dated 17 January -- read by announcer]

[Text] The Interior Ministry [MININT] hereby reports the following to the people:

1. For the past 6 months, LA PRENSA journalist Alejandro Cordonero, in complicity with Jose Ramirez Artola, a Nanica [Nicaraguan Shipping Company] employee, had been illegally publishing a news bulletin in the form of a fly sheet called PRISMA.
2. The contents of the fly sheet jeopardized the security of the nation, the country's economy, and the legal authorities, thus violating the law of public order and security and the communications media law. 3. The Communications Media Directorate has decided to suspend the publication of this clandestine flysheet. 4. The General Directorate of State Security has arrested the individuals involved in this crime based on the provisions of the State of Emergency Decree that is in force.

Issued in the city of Managua on 17 January 1986 by the Public Relations Office of the MININT.

MALMIERCA ARRIVES IN LESOTHO PRIOR TO COUP

FL181250 Havana Radio Progreso in Spanish 1200 GMT 18 Jan 86

[Text] Minister of Foreign Relations Isidoro Malmierca has arrived in Maseru, capital of Lesotho, on an official and friendly visit. He was received by Basotho Foreign Minister Vincent Makhele and other officials. Malmierca later met with Foreign Minister Makhele and the ministers of planning, health, and information and broadcasting of Lesotho.

Coup Reported

PA201856 Havana International Service in Spanish 1800 GMT 20 Jan 86

[Text] Major General Justice Lekhanye, chief of Lesotho's paramilitary force, has overthrown the government of Lesotho Prime Minister Leabau Jonathan and will lead the nation at the head of a military council. Upon reporting this development, Radio Lesotho said that Moshoeshoe II will remain head of state and that the military coup seeks to restore peace and national reconciliation. It asked the people for support.

Twenty-four hours before his ouster the prime minister had said at a news conference that South Africa was plotting to overthrow his government by infiltrating agents into the paramilitary force. Jonathan admitted there had been a coup attempt the week before which took the lives of 4 of 35 rebels.

Shortly before the prime minister's ouster, South African Foreign Minister Roelof Botha said Leabua Jonathan was a destabilizing factor and that if his friends feared for his safety, Pretoria would not hesitate in taking the necessary measures.

Official Still in Lesotho

FL201821 Bridgetown CANA in English 1752 GMT 20 Jan 86

[Text] Havana, Jan 20, CANA REUTER -- Cuban Foreign Minister Isidoro Malmierca was on an official visit to Lesotho when an Army coup toppled the leftist government today and is apparently still in the country, Cuba's state-run new agency PRENSA LATINA said. A PRENSA LATINA dispatch, issued shortly before the dawn coup, said Malmierca was continuing his visit to the tiny African nation and had attended a government reception on Saturday night.

There was no mention of any scheduled departure and Cuban sources said he was almost certainly still in the country which is surrounded entirely by South Africa. Foreign Ministry officials were not available for comment. Cuba was a firm supporter of the toppled Premier Leabua Jonathan's anti-South Africa policy.

Ministry: Whereabouts Unknown

PA201921 Paris AFP in Spanish 1901 GMT 20 Jan 86

[Text] Havana, 20 Jan (AFP) -- As of noon today, the Cuban Foreign Ministry in Havana did not know if Foreign Minister Isidoro Malmierca has ended his official visit to Lesotho, scene of a coup early this morning, or if he is still in Maseru, the capital. Sources consulted at the Foreign Ministry said that Malmierca's visit had been scheduled "to be brief." "For the time being we have nothing more to say," the sources added, abstaining from any further comment.

In Havana, the Cuban press this morning had published dispatches from Harare, capital of Zimbabwe, reporting on activities by the Cuban foreign minister in Maseru on Saturday, "the 2d day of his visit to this small country in the African southern cone." According to the dispatches, the foreign minister of the ousted government had hosted a reception for Malmierca on Saturday night. It is customary to end official visits with this protocol act.

Reported Still in Hotel

MB211126 Johannesburg Domestic Service in English 1100 GMT 21 Jan 86

[Text] The Cuban foreign minister, Mr Isidoro Malmierca, who was in Lesotho at the time of the coup, is still reported to be in the country. Our special representative in Maseru, Leslie Mashokwe, has more details on Mr Malmierca's exact whereabouts.

[Mashokwe] He is still here, I am staying just below him. He is on the fifth floor of the same hotel where I am, and since yesterday he has been grounded. He has not been moving. There have been security people around here, but he has been here all the time. He has not left the place yet. Right now, it is about twelvish, and I am definitely sure that his car, his official car, is still outside. The Cuban flag is still hanging, and the foreign minister of Cuba is definitely still in the hotel.

Visited by USSR Envoy

PA211227 Paris AFP in Spanish 1123 GMT 21 Jan 86

[Excerpt] Maseru, 21 Jan (AFP) -- Cuban Foreign Minister Isidoro Malmierca, who arrived here shortly before the coup d'etat that overthrew Prime Minister Leabua Jonathan, is still in the capital of Lesotho today and was visited in his hotel by Soviet Ambassador Vladimir Garushkin.

CUBAN KILLED IN LESOTHO; OTHERS UNDER GUARD

MB210930 Johannesburg Domestic Service in English 0915 GMT 21 Jan 86

[Text] Our representative in Maseru reports that a Cuban was shot dead by a youth at the weekend when seven Cubans visited a Lesotho youth training camp in the city. The other six Cubans are under guard in their hotel rooms in Maseru. A liaison team of the new military government declined to comment on the matter.

L.A. PARLIAMENT DISCUSSES FOREIGN DEBT

PA200428 Havana International Service in Spanish 0000 GMT 20 Jan 86

[Text] The Latin American Parliament's expanded board of directors has ended its sessions in Lima, after issuing a final declaration, which among other things rejects all forms of intervention in Latin America. The Lima declaration reiterates the principles established by the Latin American Parliament to the effect that the foreign debt cannot be paid under the conditions that the debtors are being asked to pay.

The Lima declaration calls for a special meeting of the Latin American Parliament on behalf of peace and democracy in Central America, to be held in Guatemala City from 3 to 5 April.

Regarding the results of the Latin American Parliament's special assembly which recently ended in Lima, Senator Luis Leon Lara of Argentina, president of the Latin American Parliament, said that the members of the Parliament are fully convinced that the foreign debt cannot be paid in the way the creditor nations want it to be paid and that the Baker Plan drafted by Washington is only an aspirin which does not solve the problem.

Parliament Favors Summit

PA210052 Havana International Service in Spanish 0000 GMT 19 Jan 86

[Text] The Board of Directors of the Latin American Parliament has agreed in Lima to support the meeting of Latin American presidents scheduled to take place this year in Panama. The topics to be discussed at the meeting are the foreign debt, the limitation of funds spent on arms, the struggle against drug trafficking, and other issues of regional interest.

The Board of Directors of the 19-country Latin American Parliament met on 16 January in the Peruvian capital.

Flavio Bravo Reviews Meeting

FL202110 Havana Television Service in Spanish 0100 GMT 20 Jan 86

[Text] After having participated in the meeting of the expanded Board of Directors of the Latin American Parliament, Comrade Flavio Bravo, member of the party Central Committee and president of the National Assembly of the People's Government [ANPP] has returned to Cuba. The expanded Board of Directors of the Latin American Parliament, which has been holding working meetings in Lima, Peru, approved a final statement manifesting the rejection of all imperialist intervention in Central America and calls on legislators of the region to attend an extraordinary meeting in Guatemala, which will study the problems of the area.

[Begin Bravo recording] That meeting will have the objective of struggling to block intervention in Central America, striving to find a political, peaceful, just, negotiated solution based on the self-determination of the peoples and respect for the sovereignty of the peoples. The meeting will be very important for the Central American peoples in general and for the Nicaraguan people in particular who, as you know, are the victims of the dirty aggression the Reagan government is openly organizing.

Something else very important happened: The agreements that the U.S. Congress is making in favor of the counterrevolution in Nicaragua were denounced, and the Presidency of the Latin American Parliament was authorized to denounce this publicly and to ask that it cease because it worsens the tensions in Central America. [end recording]

FLAVIO BRAVO MEETS WITH PERU'S PRESIDENT GARCIA

FL171232 Havana Radio Progreso Network in Spanish 1200 GMT 17 Jan 86

[Text] National Assembly of the People's Government President Flavio Bravo has had a special meeting in Lima with Peruvian President Alan Garcia, with whom he discussed topics of common interest. The Cuban legislator is in Lima heading a delegation participating in the third meeting of the Latin American Parliament Board of Directors which began on 16 January.

RODRIGUEZ RECEIVES CARABALLEDA MESSAGE

FL180138 Havana Radio Rebelde Network in Spanish 0000 GMT 18 Jan 86

[Text] Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers of Cuba, has received on behalf of the government the Caraballeda message for peace, security, and democracy for Central America, signed by the eight foreign ministers of the Contadora and Support Groups on 12 January.

This morning the Cuban vice president met with Argentine Ambassador Luis Raul Claraso de la Vega; Mexican Ambassador Enrique Olivares Santana; and Panamanian Ambassador Juan Angel Gomez Vargas; Peruvian charge d'affaires Jose Manuel Pacheco; and Venezuelan charge Noel Garcia Gomez. The diplomats, representing their respective governments, officially handed Carlos Rafael Rodriguez the Caraballeda message. It was presented by the Venezuelan charge d'affaires because his country hosted the Contadora and Support Groups foreign ministers meeting.

The Cuban vice president told the representatives of the five Latin American countries that the message will be given immediately to the president of the council of state and the government, Commander in Chief Fidel Castro, for his consideration.

SERGIO DEL VALLE CONCLUDES VISIT TO GUYANA

PA210047 Havana International Service in Spanish 0000 GMT 19 Jan 86

[Text] Sergio del Valle, a member of the Central Committee of the Cuban Communist Party, has ended a working visit to Guyana after meeting with Cuban internationalist doctors in that country in an effort to improve collaboration in that field. There are 33 Cubans working in Guyana, including clinicians, specialists, stomatologists, and health technicians, some of whom also instruct Guyanese students.

JAPANESE PARLIAMENTARY DELEGATION ARRIVES

FL201426 Havana Radio Progreso Network in Spanish 1200 GMT 20 Jan 86

[Text] A parliamentary delegation from the Japanese Diet, headed by Liberal Democratic Party deputy (Yoshio Sakarushi), has arrived in Cuba at the invitation of the National Assembly of the People's Government. The visitors will tour Havana's Hermanos Ameijeiras hospital, the Havana City Museum, and Old Havana historic area, and industrial development areas of Cienfuegos province.

SOVIET SHIPS EN ROUTE WITH HURRICANE RELIEF

FL181236 Havana Radio Progreso Network in Spanish 1200 GMT 18 Jan 86

[Text] Two merchant ships sailed from the port of Leningrad this week with cargoes forming part of the aid granted by the USSR to Cuba to repair damages caused by Hurricane Kate. One of these ships is the (Kazho Rags), which is transporting nearly 1,500 tons of galvanized steel plate and more than 500 tons of fibro-cement. The other ship is the (Komsomol Stonil), whose holds contain about 1,700 tons of zinc sheets.

AREA LEADERS ARRIVE IN KINGSTON FOR CDU MEETING

FL161406 Kingston Domestic Service in English 1100 GMT 16 Jan 86

[Text] The preparative meeting of the Caribbean Democratic Union, CDU, an organization of moderate and conservative Caribbean political parties, opens at the Windom New Kingston Hotel this morning. The brainchild of Prime Minister and Jamaica Labor Party [JLP] leader Edward Seaga, the CDU is being seen as a vehicle for parties to weigh their political views, evaluate development, and, to the extent sovereignty permits, to have common positions.

Caribbean leaders who will participate include Prime Ministers Eugenia Charles of Dominica, Herbert Blaize of Grenada, and Dr Kennedy Simmonds of St Christopher-Nevis, and Chief Minister John Osborne of Montserrat, all of whom arrived yesterday afternoon. Also arriving yesterday afternoon were Deputy Prime Minister George Mallet of St Lucia and Minister of Information and Culture of St Vincent John Horne.

Early arrivals included Prime Minister John Swan of Bermuda and specially invited guest Mr Scott Hamilton, secretary general of the International Democratic Union [IDU]. Also expected is chairman of the United States National Republican Committee Frank Fahrenkopf.

The JLP became a member of the IDU last year, and the CDU will be an affiliate of this organization. The IDU is the international grouping of democratic parties, as opposed to Socialist International, which groups left-wing socialist parties internationally. The conference opens at 10 a.m. and is being held over 2 days.

Seaga Addresses Forum

FL171720 Kingston Domestic Service in English 1100 GMT 17 Jan 86

[Text] Prime Minister Edward Seaga says the Caribbean Democrats Union, CDU, is an attempt to revise history, as it is a revival of a political alliance which was tried 25 years ago. Mr Seaga, who was speaking at the preparatory meeting of the Windom New Kingston Hotel yesterday, told delegates of 10 regional countries and allied organizations that they may coordinate to strengthen each other. He noted that the like-minded moderate parties would be the umbilical cord which would nourish and strengthen their party structures with enriched understandings. The JLP [Jamaica Labor Party] leader said: From this base, it was intended to strengthen relations with parties of like mind from the north as well as with neighbors to the south. [5-second break in transmission] continues today.

Blaize Seeks Party Cooperation

FL171800 Bridgetown CANA in English 2222 GMT 16 Jan 86

[Text] Kingston, Jamaica, Jan 16, CANA -- Grenada's prime minister, Herbert Blaize, today underscored the need for moderate Caribbean political parties to cooperate to ensure the survival of democracy as the CDU launched its first meeting here. Blaize, a veteran politican, was one of three Caribbean prime ministers who addressed the meeting -- the others being Eugenia Charles of Dominica and Jamaica's Edward Seaga. [Words indistinct] democracies to work together for survival and development.

He told the gathering of political leaders from the Caribbean and the Americas' that unity was necessary so that, wherever and whenever there was a threat to parliamentary democracy, the parties could come together to head it off.

Miss Charles said the youth arm of her Dominica Freedom Party [DFP] wanted the political leaders to ensure that the democratic way of life becomes entrenched in this region. She said the establishment of the CDU -- Seaga's brainchild -- was long overdue. We [word indistinct] the organization to allow like-thinking parties in the region to meet, whether in government or opposition, she asserted.

The CDU is grouping moderate Caribbean political parties. Plans for its formation emerged against the backdrop of deepening concern in the Caribbean and Washington about the growth of leftist parties, but politicians reject suggestions the CDU was formed to extend right-wing influence in the English-speaking Caribbean. The meeting here has attracted representatives of 10 countries in the region.

Delegation leaders included: Hubert Erlington, attorney general, United Democratic Party of Belize; John Osborne, chief minister and leader of the People's Liberation Movement of Montserrat; and Dr Kennedy Simmonds, prime minister and leader of the People's Action Movement of St Kitts and Nevis. Others were: George Mallet, deputy prime minister as well as deputy leader of the United Workers Party of St Lucia; and John Horne, minister of culture and information, New Democratic Party of St Vincent and the Grenadines.

Among those attending as observers were: John Swan, premier of Bermuda; Ms Margarita Palacio, of Venezuela's Christian Democratic Party; Frank Fahrenkopf, chairman of the Republican National Committee, USA; and Scott Hamilton, general secretary of the International Democrat Union (IDU), to which the CDU hopes to become affiliated.

Seaga said the political parties present represent some two-thirds of the potential membership of Caribbean parties of this like-minded group. He said the purpose of the meeting was to strengthen international bonds, enhancing fraternal relationships, and mutually reinforcing the drive to political goals.

Seaga said he had first discussed the formation of the union with Caribbean colleagues at the Caribbean Community and Common Market (Caricom) meeting in July, and the response was very positive. He admitted the concept grew out of the formation and growth of similar unions in Europe and the IDU.

Osborne Seeks Increased U.S. Aid

FL172107 Bridgetown CANA in English 1800 GMT 17 Jan 86

[Text] Kingston, Jan 17, CANA -- Chief Minister of Montserrat John Osborne last night called for an increase in United States aid to the Caribbean. He was speaking at a meeting here of centre-right regional political leaders that will end today with the launching of the CDU.

In a speech that won him a standing ovation, Osborne said the small democracies of the Caribbean were friends of the United States and increased American aid would help secure democracy in the region. The Caribbean should be put on the top of the list when the aid budget was being made up, he said.

Delegations at the meeting include representatives of Osborne's Peoples Liberation Movement (PLM), the ruling parties of St Kitts and Nevis, Belize, St Lucia, St Vincent and the Grenadines, and Jamaica. The conference ends this evening by which time the charter and leadership of the CDU will be approved. The CDU hopes to become affiliated to the International Democratic Union (IDU), grouping the conservative parties.

Osborne said democracy, as he saw it, meant freedom of speech, the right to worship, and other freedoms. He expressed a dislike for socialist ideology because he felt it was opposed to freedom. He declared he would not sit back and allow socialists to subvert his government. If anybody believes I am going to sit back...and allow socialists, knowing what they are going to do to me, then I deserve what they do to me. I don't see that as democracy...we have every right to design our own democracy to suit the present situation and you have to do it now when you are in power, he said.

Referring to political crises in Grenada and Dominica over the last few years, he said: I feel when there is any sign of socialist uprising, it should be fought militantly with a democratic upswing. Osborne classified those of the left as socialists, radical socialists and communists and all three groups were communists whom he did not like, he said.

Observers at the conference included Premier John Swan of Bermuda, Frank Fahrenkopt, chairman of the Republican National Committee of the United States, and Margarita Palacio of Venezuela's Christian Democratic Party.

Seaga Elected Chairman

FL180333 Bridgetown CANA in English 2141 GMT 17 Jan 86

[Text] Kingston, Jan 17, CANA -- Jamaica's prime minister and leader of the ruling JLP, Edward Seaga has been elected chairman of the new CDU, formally established today following the signing of a charter by leaders or representatives of eight ruling moderate parties in the Caribbean. Deputy chairmen are Kennedy Simmonds of St Christopher-Nevis, Herbert Blaize of Grenada and Manuel Esquivel of Belize. Treasurer is Eugenia Charles of Dominica. These leaders met here yesterday and today, except for Esquivel, whose United Democrat Party was represented by attorney general of Belize, Hubert Erlington.

The full list of eight countries whose ruling parties are members of the Union are Belize, Dominica, Grenada, Jamaica, St Christopher-Nevis, St Lucia, St Vincent and the Grenadines and Montserrat. Prime Minister Seaga told a press luncheon which closed the meeting that there were four or five other parties in the region which could qualify for membership. He said he would not want to name the parties as it was their responsibility to so identify themselves. Seaga said at least one of the parties had shown interest in the union. Asked specifically about the ruling party in Bermuda -- which had observer status at the meeting and was represented by Premier John Swan -- Seaga said the interest of that party had been shown by the fact that the party had come as observer but it had to decide whether it wanted membership.

Seaga said: In some cases we have two parties in the same country that could qualify and we have to sort out in our own minds which should qualify. It is felt here that the union would like to embrace the ruling parties in Barbados, Antigua and Trinidad and Tobago.

Seaga noted that the CDU was the third regional grouping of parties to fall under the umbrella of the International Democrat Union (IDU) formed in 1983 -- the others being the European Democrat Union and the Pacific Union (EDU-PU). The CDU would serve as a vehicle to foster stronger relationship between like-minded parties of the Caribbean to strengthen party structure, foster the interchange of ideas and promote the basis for ideological structure of the CDU.

The CDU is to meet next on February 19, in what Seaga called the party leaders conference. At that time, the secretary general of the CDU will be elected, completing the executive body. Seaga said the charter of the union provides for the meeting of the executive committee at least twice every year. That committee consists of Seaga as chairman, the three deputy leaders, the treasurer and the general secretary. There is to be a meeting of the party leaders every other year.

Funding of the union will come from member parties, the IDU and other organizations which promote and sponsor democratic systems, Seaga said. The majority of leaders leave Kingston for home this evening.

BARBADOS

GOVERNMENT BLOCKS IMPORTS FROM TRINIDAD-TOBAGO

FL202350 Bridgetown CANA in English 2247 GMT 20 Jan 86

[Text] Bridgetown, Jan 20, CANA -- Barbados is blocking certain imports from Trinidad and Tobago because of restrictions manufacturers here face in exporting to the twin-island state, Trade and Industry Minister Louis Tull said today. The goods whose entry is restricted here include meat products, detergents, and biscuits, Tull said during a news conference.

The curbs followed a warning from Prime Minister Bernard St. John last year that action would be taken against Trinidadian products unless the oil-rich state lifted restrictions on Barbadian goods. We have in fact held back the grant of licences for a number of goods for which there were licences for Trinidad and Tobago, Tull said. [sentence as received]

It was not something Barbados liked doing, he admitted, but we have to consider our own position. We have products such as detergents, where we were allowing Trinidad and Tobago's detergents to come into Barbados freely, and we were having extreme difficulty in getting our detergents into Trinidad and Tobago. So we've put the lid on that for the time being....

Tull said Barbados had also had problems with exporting meat products to Trinidad and tobago, adding: We've taken some action to protect our meat producers. He told reporters: I believe that we've taken a position in respect of sweet biscuits, pet foods, and one or two other areas....

We're not playing games. Barbados has a long tradition of playing by the rules and we have done our best to live up to the provisions of all the agreements and accords which we have entered. But there comes a time when we have to look after our own interests in a more definite way. Therefore, although we haven't taken action that is devastating by any means, we are making a point that all the countries in the Caribbean Community that have signed an agreement should honour it. Tull was referring to an agreement community states made to lift barriers to intra-regional trade and impose tariffs on goods from third countries which compete with similar Caribbean products.

During a mid-December budget [as received], Trinidad and Tobago's prime minister, George Chambers, announced the republic was honouring the agreement. The country has imposed the tariff measures but it is not yet clear whether the barriers have been relaxed. Tull said it was too early to pick up any trend in trade caused by the budget, that included a 33 percent devaluation of the TT dollar against the U.S. currency. But he conceded that in the last quarter of 1985, Barbadian manufacturers had been finding it easier to export to Trinidad and Tobago.

We've been having difficulty for a long time in terms of getting licences granted and, on a second stage, of getting the EC-0 (applications seeking foreign exchange for imports) approvals, Tull told reporters. Three or four months ago, there was a significant improvement. We saw that for the first time for over a year we were getting a number of applications for licences approved pretty early.

HAITI

POLICE STOP CAPITAL, GONAIVES DEMONSTRATIONS

PA191532 Paris AFP in Spanish 0327 GMT 19 Jan 86

[Text] Port-au-Prince, 18 Jan (AFP) -- About 1,500 people, most of them women and children, demonstrated peacefully in Haiti's capital today. The demonstrators, organized after a religious gathering, sang and demanded "a new Haiti." They were stopped by the police without incident when approaching the National Palace area.

According to reports to AFP over the telephone, another antigovernment demonstration occurred this morning in Gonaives, Haiti's fourth most important city, 152 km northwest of the capital, but it was quickly broken up by the police.

REGIME REQUESTS OAS MISSION POSTPONE VISIT

PA202004 Paris AFP in Spanish 1818 GMT 20 Jan 86

[Text] Port-au-Prince, 20 Jan (AFT) -- The Haitian Government has asked the OAS to postpone the Human Rights Commission's visit to Haiti, well-informed sources announced here today. The Haitian authorities had invited the Human Rights Commission to visit Haiti from 26 January through 1 February. The authorities explained that the official reason for postponing this visit indefinitely is the fact that a new minister of justice, interior, and defense took over on 31 December.

The OAS commission was to be led by former Bolivian President Luis Adolfo Siles Salinas. This visit is being cancelled at a time when the Haitian Government is facing its worst political crisis since President Jean-Claude Duvalier rose to power in April 1971. Schools and universities have been closed since 8 January under government orders. Various sources have reported that several youths have been arrested throughout the country and that a shoemaker arrested by the police has died in prison.

ECONOMIC COOPERATION TALKS WITH USSR BEGIN

FL171550 Bridgetown CANA in English 1515 GMT 17 Jan 86

[Text] Georgetown, Guyana, Jan 17, CANA -- Guyana and the Soviet Union have begun talks here aimed at increasing bilateral trade and economic ties, a senior Russian Government official said today.

The leader of the six-member Soviet delegation Zinoviev Nikolai Vasilyvich said his team was here to make trade relations more stable. The two sides, whose discussions started yesterday, are looking specifically at the Bauxite and gold industries and will also discuss wide-ranging issues which should lead to a possible expansion of trade and economic co-operation, the sources said.

The governments of the two countries signed eight agreements and protocols between 1973 and 1978, according to Minister of Trade Winston Murray, demonstrating serious intentions on both sides for trade and economic co-operation.

The facts, covering the mining of bauxite and alumina, along with timber, machinery and equipment, paved the way for the further strengthening of trade and economic ties between Guyana and USSR, Murray said. Also being discussed is the possibility of Moscow supplying of equipment for use in Guyana's anti-malaria programme, post-graduate training for Guyanese in institutions in the Soviet Union, and the utilisation of Soviet teaching staff at the recently established medical faculty at the University of Guyana (UG).

The Soviet delegation expects to be in Guyana one week.

PPP LEADER JAGAN MEETS WITH PRIME MINISTER

FL202324 Bridgetown CANA in English 2124 GMT 20 Jan 86

[Text] Georgetown, Guyana, Jan 20, CANA -- Leader of the Marxist People's Progressive Party (PPP), Dr Cheddi Jagan, has told Prime Minister Hamilton Green that Parliament needed a speaker who is agreeable to the opposition, PPP sources said. The weekend meeting took place at the request of Green at his office in Parliament buildings.

The PPP is entering a new session of Parliament in spite of its rejection of the results of last month's general elections. The PPP was allocated eight seats and the PNC 42 of the 53 elected seats.

During the meeting, the PPP was offered the position of deputy speaker of the National Assembly and Jagan said he would consult his party to decide on the matter, the sources said. Jagan said his party had difficulty with the last speaker, Sase Narine. The two political leaders also discussed the mode of dress for parliament.

The MIRROR newspaper, the mouthpiece of the PPP, said Jagan agreed that he would like to see decorum in the house raised, but he stressed there are more pressing matters to be discussed which included the crucial running of the National Assembly.

Jagan expressed dissatisfaction on certain parliamentary procedures, the paper said. The MIRROR said Green gave Jagan assurance that the matters discussed would be looked into.